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HEARING

BEFORE THE

SUBCOMMITTEE ON LIVESTOCK AND GRAINS

OF THE

COMMITTEE ON AGRICULTURE
HOUSE OF REPRESENTATIVES

NINETY-FIRST CONGRESS

SECOND SESSION

ON

H.R. 16480, H.R. 16485, H.R. 16791, H.R. 16895, H.R. 16908, H.R. 17276 H.R. 17457, and S. 3592

JUNE 16, 1970

Serial CC

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CUSTOM SLAUGHTERING

TUESDAY, JUNE 16, 1970

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON LIVESTOCK AND GRAINS OF THE
COMMITTEE ON AGRICULTURE,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10:20 a.m., in room 1301, Longworth House Office Building, Hon. Graham Purcell (chairman of the subcommittee) presiding.

Present: Representatives Purcell, Foley, Abernethy, Jones of North Carolina, Montgomery, Melcher, May, Mayne, Zwach, Kleppe, and Sebelius.

Also present: Hyde H. Murray, associate counsel, and Christine S. Gallagher, chief clerk.

Mr. PURCELL. The subcommittee meets this morning for consideration of H.R. 16485 and other related bills. This bill by Mr. Purcell, of Texas, for himself, Mr. Smith of Iowa, Mr. Foley, of Washington, Mrs. May of, Washington, Mr. Kleppe, of North Dakota, Mr. Andrews of North Dakota, Mr. Nelsen, of Minnesota, Mr. Denney, of Nebraska, Mr. Langen, of Minnesota, and Mr. Martin, of Nebraska, is a clarifying amendment regarding custom slaughtering operations at locker plants.

This bill provides in effect that these plants shall be allowed to engage in custom-slaughtering operations while at the same time selling meat to the general public, provided that the custom-prepared meat is kept separate at all times from the meat prepared for sale to the general public, and that the custom-prepared meat is marked "Not for Sale" until delivered to its owner.

By specifically requiring that custom meat be kept separate from meat to be sold to the general public, the bill provides adequate protection for the consumer while preserving for him his local outlet for fully inspected meat and meat food products.

The Senate counterpart is S. 3592, which is nearly identical to H.R. 16485, except for a technical amendment. S. 3592 was passed by the Senate on June 5, 1970.

The subcommittee will hear witnesses from the witness list who may address themselves to any of these bills under consideration today by the subcommittee.

(H.R. 16480 by Mr. Martin; H.R. 16485 by Messrs. Purcell, Smith of Iowa, Foley, Kleppe, Andrews of North Dakota, Nelsen, Denney, Langen, Martin, and Mrs. May; H.R. 16791 by Mr. Hungate; H.R. 16895 by Mr. Scott; H.R. 16908 by Mr. Quie; H.R. 17276 by Mr. Berry; H.R. 17457 by Mr. Duncan; and S. 3592 are similar bills the text of which follows:)

[H.R. 16485, 91st Cong., second sess.]

A BILL To amend the Federal Meat Inspection Act, as amended, to clarify the provisions relating to custom slaughtering operations

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Meat Inspection Act (34 Stat. 1260, as amended by the Wholesome Meat Act, 81 Stat. 584) is hereby amended by deleting the proviso from paragraph (a) of section 23 of the Act, and the colon preceding said proviso, and substituting therefor the following: "; nor to the custom preparation by any person, firm, or corporation of carcasses, parts thereof, meat or meat food products, derived from the slaughter by any person of cattle, sheep, swine, or goats of his own raising, or from game animals, delivered by the owner thereof for such custom preparation, and transportation in commerce of such custom prepared articles, exclusively for use, in the household of such owner, by him and members of his household and his nonpaying guest and employees: *Provided*, That in cases where such person, firm or corporation engages in such custom operations at an establishment at which inspection under this title is maintained, the Secretary may exempt from such inspection at such establishment any animals slaughtered or any meat or meat food products otherwise prepared on such custom basis if the establishment complies with regulations which the Secretary is hereby authorized to promulgate to assure that any carcasses, parts thereof, meat or meat food products wherever handled on a custom basis, or any containers or packages containing such articles, are separated at all times from carcasses, parts thereof, meat or meat food products prepared for sale, and that all such articles prepared on a custom basis, or any containers or packages containing such articles, are plainly marked 'Not or Sale' immediately after being prepared and kept so identified until delivered to the owner, and that the establishment conducting the custom operation is maintained and operated in a sanitary manner."

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C., April 15, 1970.

HON. W. R. POAGE,
Chairman, Committee on Agriculture,
House of Representatives

DEAR MR. CHAIRMAN: This is in reply to your letter of March 24, 1970, requesting a report on H.R. 16485, "A Bill to amend the Federal Meat Inspection Act, as amended, to clarify the provisions relating to custom slaughtering operations."

The Department supports the passage of this bill.

The bill would amend Section 23(a) of the Federal Meat Inspection Act. The effect of this bill would be to exempt the custom preparation by any person of carcasses, or parts or products thereof, of livestock slaughtered by the person who raised the livestock, or of game aimals, provided the articles are delivered by the owner for such custom preparation and are exclusively for use in his household by him and members of his household and his nonpaying guests and employees, and the custom operations are carried out in compliance with regulations to be prescribed by the Secretary. The regulations would include requirements to assure that the establishment is maintained and operated in a sanitary manner and that the articles handled on a custom basis are separated at all times from meat products for sale and are marked as "Not for Sale" until delivered to the owner. The custom operator would be required to keep such records as would fully and correctly disclose all transactions involved in his business. The adulteration and misbranding provisions of the Act (other than the requirement of the official inspection legend) would be applicable to all of the meat products prepared by the custom operator for interstate commerce or otherwise subject to the Act.

The bill would retain present provisions exempting certain custom slaughtering operations but would eliminate the requirement that the exempted slaughterers shall not engage in buying or selling any meat or meat food products capable of use as human food. In many areas of the country both these functions have been carried out at a single establishment, often the only source of meat products or custom service in the community.

The Bureau of the Budget advises there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

J. PHIL CAMPBELL,
Under Secretary.

Mr. PURCELL. We will also insert in the record at this point a statement by one of our colleagues on this committee, Hon. Catherine May of Washington.

STATEMENT OF HON. CATHERINE MAY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WASHINGTON

Mrs. MAY. This bill deals with a problem which was inadvertently created by passage of the Wholesome Meat Act of 1967, and which we have been working on since then in an effort to find an equitable solution. Many small rural communities depend on the services of the small locker plants whose operators also engage in custom slaughter for farmers and residents in the surrounding areas. The problem, of course, is that many of these small businesses need both the custom slaughter operation and the retail operation in order to make a go of it, and the Wholesome Meat Act as it now stands prohibits a business from doing both.

Our objective here has been to find a way to remove this prohibition without weakening in any way the requirements for wholesomeness and cleanliness which are embodied in the Wholesome Meat Act.

Mr. PURCELL. Ladies and gentlemen, we are here to have hearings in regard to an amendment to what we refer to as the meat inspection bill.

We have been delayed a little bit, so we are proceeding now to call Mr. Dave Martin, who has a committee of his own. We are glad to hear from you at this time.

STATEMENT OF HON. DAVE MARTIN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEBRASKA

Mr. MARTIN. Thank you, Mr. Chairman.

I appreciate your taking me first because we do have a rather important piece of legislation before us in the Rules Committee this morning.

I would ask unanimous consent that my statement be placed in the record and I will simply summarize and make a few statements in order to save time.

Mr. PURCELL. All right, sir.

(The complete prepared statement of Congressman Martin, above referred to, follows:)

STATEMENT OF HON. DAVE MARTIN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEBRASKA

Mr. Chairman and members of the committee, I thank you for the opportunity to appear before you today on the subject of amending the Federal Meat Inspection Act, as proposed in H.R. 16480 and H.R. 16485 which I sponsored and cosponsored, respectively.

Mr. Chairman, I urge the swift approval of this legislation in the interest of saving the small community custom slaughter business, and consequently, many small communities themselves.

This legislation is identical to the Senate bill, S. 3592, which was passed by the Senate on June 5, 1970, and which was introduced and sponsored by Senators Curtis, Hruska, Bellmon, Burdick, Dole, Jordan of North Carolina, Young of North Dakota, Proxmire and McGee.

The need for this legislation has come about as a result of Department of Agriculture programs and policies to strengthen federal meat inspection requirements where the slaughter and sale of various meat animals is concerned. However, as the current laws in this matter are written, this strengthening of federal surveillance in the sale of meat goes beyond this area, and is threatening the small custom slaughter businesses that provide much-needed service.

Section 23(a) of the Federal Meat Inspection Act at present exempts from inspection custom slaughtering. This is proper legislation, in my judgment, as it allows the slaughtering for hire by an owner with an established slaughterer of meat animals for the owner's sole consumption and use. It makes sense that if an individual can slaughter his own meat animals for his own consumption, without being subject to commercial production inspection regulations, he should be able to hire someone else to do this same slaughtering for him. Obviously, not every person, farmer or small community resident, is going to be set up for, or be able to, or want to do his own individual slaughtering, and he should be able to have this function performed for him, by someone such as a community butcher who is established in this trade.

Mr. Chairman, just as this type of custom slaughtering has been rightfully allowed in the past, so it should be allowed to continue. However, because of the new regulations in this area, many small meat plants that have been providing custom slaughter along with their retail sales of federally-inspected meats are being priced out of business. High conversion costs for separating small custom slaughter operations from retail meat stores, building additions, and even the notion of requiring federal inspection of custom slaughtered meats, in most cases will prove too costly for the small, rural communities of Nebraska and virtually every state.

Yet, these small businesses are essential, in many instances to the economies of the areas they serve. Their being forced out of business will be detrimental to rural development, impose higher costs and greater hardships on those small communities in obtaining meat for their families, and serve no good purpose as far as federal meat inspection requirements go.

Mr. Chairman, in the case of custom slaughtering by the small community and neighborhood meat store, I know of no incidents of health hazards or resulting health problems in Nebraska.

In a time when it is the policy of our government to promote economic development and opportunities in rural America, the forced closing of the many small meat businesses would be highly detrimental to rural America and our cause in this area.

Mr. Chairman, the legislation that I have introduced and sponsor, along with several of my colleagues in the House, is supported by the Department of Agriculture and numerous farm organizations. It is further supported by locker plant operators, custom slaughterers, merchants and consumers organizations.

I ask that the subcommittee give its approval to this legislation, and urge that the full committee give its approval for enactment by the House as soon as possible.

Mr. MARTIN. H.R. 16485, of which the chairman is the author and I am one of the co-sponsors, is a piece of legislation that is very urgently needed, particularly in the agricultural areas and the small communities of our Nation. In my district in western Nebraska, locker plants have suffered very severe economic reverses because of the fact that they could no longer butcher critters brought in by farmers or other people who own cattle that they wanted to have butchered.

These plants have been able to take care of deer, elk, and other game animals that have been brought in by the hunters—and I am one of the hunters that has brought in such animals to these plants to be butchered and taken care of—while they can't do it with the domestic animals.

Since the Wholesome Meat Act was passed and these people have not been able to do this under the law or under the regulations it has created an extremely difficult hardship on both the operators of the locker plants and the farmers in the area. This legislation will correct this situation and I trust, Mr. Chairman, that your committee will promptly approve this legislation.

Mr. PURCELL. Thank you very much, Mr. Martin. It is my hope we will do just exactly what you have said.

Are there any questions of Mr. Martin?

Mr. KLEPPE. Mr. Chairman, one quick question.

I would like to ask my colleague, Congressman Martin, in your opinion, is there any reason why this proposed amendment will not take care of all of the small locker plant operators you refer to that we have in such abundance in America?

Mr. MARTIN. No, I think it will adequately take care of the situation. As you know, it has been worked out very carefully, this legislation, and rewritten two or three times in order to take care of certain things that we felt wouldn't be adequately covered.

I believe this bill will do the job.

Mr. KLEPPE. Thank you very much.

Mr. PURCELL. Thank you very much.

Mr. MARTIN. Thank you, Mr. Chairman.

Mr. PURCELL. Mr. Hungate of Missouri is the next congressional witness.

We are honored to have you, Mr. Hungate. We will be glad to hear from you.

STATEMENT OF HON. WILLIAM L. HUNGATE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MISSOURI

Mr. HUNGATE. Mr. Chairman, members of the committee, I thank you for this opportunity to appear on some legislation, of which I am greatly interested, and I think it is extremely important to the country and I appreciate the committee's work on it.

If I may, I will read my statement. I believe it is briefer than my summary might be.

Mr. PURCELL. All right. We have learned, Mr. Hungate, most of us in public life, our written statement is briefer than our summary.

Mr. HUNGATE. It is in my case, Mr. Chairman, and I should also like to express appreciation for appearing before the chairman that represents the district that has one of the most distinguished jazz organizations at North Texas State. I know the gentleman from Iowa appreciates such an institution.

Mr. Chairman, thank you for the opportunity to appear before your distinguished committee to express my support of H.R. 16485, which is identical to my bill, H.R. 16791, to amend the Federal Meat Inspection Act, clarifying the provisions relating to custom slaughtering operations.

There is great concern in my congressional district that the Congress provide this amendment. I have received many letters from farmers, locker plant operators, and the Missouri State Department of Agriculture urging my support of this bill.

Without this amendment, thousands of locker and freezer provisioners will be forced out of business, as the act unamended would prohibit them from engaging in both selling inspected meat and performing custom services for farmers; both are essential to their survival.

This bill would not change the intent of the act, it would not cost any additional money; and it has the support of the Department of Agriculture.

Under this measure, custom slaughterers would be permitted to retail inspected meats within the same establishment provided they separate their operations and products, identify all custom meats as "not for sale," and comply with all sanitary requirements.

I believe this bill is vital to the farmers, locker plants, and the economy of our rural communities. I respectfully urge the committee give favorable consideration to this amendment.

Thank you, Mr. Chairman.

Mr. PURCELL. Thank you, Mr. Hungate. Any questions of this gentleman? If not, thank you very much, sir.

Mr. HUNGATE. Thank you.

Mr. PURCELL. Our next witness is another Congressman who has shown a great deal of interest in this and all other agricultural matters, Mr. Neal Smith of Iowa.

STATEMENT OF HON. NEAL SMITH, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF IOWA

Mr. SMITH. Mr. Chairman and members of the committee, I appreciate this opportunity to appear and make a brief statement concerning this legislation. I am here to testify on behalf of H.R. 16485, a bill I have cosponsored to amend the Wholesome Meat Act.

This bill clarifies the 1967 law and writes into law some strengthening or protective provision which might otherwise have been in regulations. H.R. 16485 would not change the intent of that law. It would not cost any additional money. It would, in fact, do what the U.S. Department of Agriculture originally stated that it could do by regulation. Passage of this bill is needed, however, to avoid working an unnecessary harship on establishments which sell meat and meat food products to the general public and also engage in custom slaughtering operations—that is, the slaughtering of livestock for the owner who plans to consume it on the family table.

After the Wholesome Meat Act became law a number of locker plant operators who handle meat on a custom basis and also sell some inspected meat at retail made inquiries regarding how it would apply to custom slaughtering operations. The Department's original position was that custom slaughtering would be permitted, by regulation, under section 5 of the act, which provides general authority for the entry into inspected plants of "carcasses, parts of carcasses, meat and meat food products, and other materials" under such conditions as are consistent with the purposes of the act. The Department later decided, however, that the term "carcasses" in section 5 applies only to livestock slaughtered prior to entry into the plant and, therefore, that a live animal cannot be allowed into a plant for custom slaughtering operations where meat is also sold even though the meat sold is handled in full compliance with the Federal meat inspection standards and came from an inspected slaughterer.

The Department also has given a strict interpretation to section 11 of the 1967 law, which added a new section 23(a) to the original Federal Meat Inspection Act. Section 23(a) now provides, in part, that custom slaughtering operations shall be exempt from inspection provided the custom operator does not engage in the buying or selling of meat or meat food products capable of use as human food.

Many locker plants are engaged in both custom slaughtering and in preparing and selling meat to the general public, and because of the Department's present interpretation of the law it is necessary to revise section 23(a). Otherwise, those plants selling meat to the general public will be able to handle custom meat slaughtered outside the plant under less than high standards but not be able to handle meat slaughtered in the plant under top sanitary standards.

This legislation will also protect the consumers who purchase meat from such an establishment. H.R. 16485 specifically provides that all meat prepared on a custom basis shall be kept separate at all times from meat prepared for sale to the general public, and that the custom prepared meat be marked "Not For Sale" until it has been delivered to its owner. These provisions could have been included in regulations but were not spelled out in the 1967 law, and so the bill does contain an added measure of consumer protection.

As the subcommittee knows, the Senate has already passed this legislation, S. 3592, which deals with custom slaughtering operations. The Senate-passed bill is identical to H.R. 16485, except for one technical amendment which makes clear that all custom operations, whether conducted at inspected or noninspected establishments, shall be subject to regulations requiring separation and marking of custom prepared meat. This will provide added assurance that meat prepared on a custom basis is returned to the owner and not sold to the general public and I recommend to the subcommittee that H.R. 16485 be amended to conform to the bill as passed by the Senate.

Since the provisions of the Wholesome Meat Act relating to intrastate operations become fully operative on December 15 of this year and since some States are already affected, this legislation should be passed as quickly as possible so that operators who are bringing their plants up to Federal standards will know where they stand with regard to custom slaughtering operations and so that State officials will be aware of the requirements in advance. This bill has broad support and contains nothing which could be considered controversial except by someone who still opposes the 1967 act or hopes that preventing this clarification will help to secure an extension of the effective date.

I do oppose any extension of the effective date of December 15, 1970, but I am hopeful that H.R. 16485 will be given prompt and favorable consideration.

Thank you.

Mr. PURCELL. Thank you, Mr. Smith.

Any questions of Mr. Smith?

Mr. Mayne.

Mr. MAYNE. I would like to commend Congressman Smith for his excellent statement, and I believe it is very significant that he is supporting this bill in view of the leadership he showed in connection with passage of the 1967 act. I am very happy to see that he recognizes the hardships which the act would bring to custom slaughterers if not corrected in the way he is indicating it should be corrected.

Mr. SMITH. I thank my colleague for that statement.

I would say in response that I am not one who thinks that any act is perfect. They will all need amendment from time to time, and I am not for weakening this act. I am still for the original purpose of the act, but if anybody can show me where there is some hardship caused, then it should be corrected.

Mr. MAYNE. Well, I want to assure the Congressman I am very much in favor of this step also. I think it is very desperately needed in our State and other adjoining States where custom slaughterers might otherwise be forced out of business.

Thank you.

Mr. PURCELL. Thank you, Mr. Smith.

Mr. SMITH. Thank you.

Mr. PURCELL. Mr. Olsen, of Montana.

I know that Mr. Olsen is in another meeting and I would certainly leave the record open for him to submit a statement. There are several other statements that I will present at the proper time.

At this time, we will hear from Mr. Ancher Nelsen, the Congressman from Minnesota.

STATEMENT OF HON. ANCHER NELSEN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MINNESOTA

Mr. NELSEN. Thank you, Mr. Chairman, members of the committee.

I will be very brief and hand in my statement.

I just want to preface my remarks by saying that some of us who introduced legislation to correct what I think was an oversight in the original act, or a misinterpretation of the original act, are also well aware of the fact there may be those who think we are weakening the law as far as clean meat is concerned. I want to emphasize that this amendment in no way detracts from the intent of the original act.

Some of our smaller plants found that regulations were too severe and resulting costs were too high. At the same time certain rules proved unnecessary to achieve the goal that was sought. So I believe this legislation is a necessary thing. We find on the farm—and I am happy to live on a farm—that these small locker plants serve a great need in the rural areas and are a great contributing factor to many of our smaller towns all over the country

I commend the committee for giving this bill a hearing, and I add my endorsement to it and I thank this committee for giving me a chance to appear. I will hand in my statement.

Thank you, Mr. Chairman.

(The prepared statement of Congressman Nelsen, above referred to, follows:)

STATEMENT OF HON. ANCHER NELSEN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MINNESOTA

Mr. Chairman, I appear today to encourage your subcommittee to favorably report H.R. 16485. This proposal is necessary for the continued operation of over 7,000 small locker/slaughter plants located throughout our great Nation.

All too often we think about America in terms of superlatives: the largest economy, the greatest transportation network, the biggest labor unions, and the biggest corporations. As a result, Congress on occasion overlooks the circumstances of individuals and small groups who, nevertheless, play a vitally important role in our society.

This seems to have been the case when Congress approved the Wholesome Meat Act, which was a landmark in protective legislation. Under the interpretations of the law made by the Department of Agriculture, many elaborate equipment, building and other standards which are applicable to the largest meat packing houses would be extended to the smallest local locker/slaughter operations. This is unrealistic and unnecessary so long as sufficient protections are required to assure

consumers of decent and wholesome standards within these smalltown locker plants. Small busiuessmen should receive fair treatment under the law, and Congress should act to correct the legislation now on the books.

In a law enacted in Minnesota in 1969, custom slaughtering operations would be able to continue as long as the meat so processed was not offered for general public sale. The small firm would, however, be able to sell other meats that have passed federal or equivalent state inspection in other plants of original processing. H.R. 16485 would bring federal regulation in line with the Minnesota statute.

The smallest operators must be able to sell meats on a retail basis in order to make a go of it, and they also must be able to continue to offer custom slaughtering services to the citizens of the area they serve. Minnesota Commissioner of Agriculture Robert Carlson, who administers the state program of meat inspection, stated it this way, "It is neither practical nor logical to expect our small intrastate meat processing industry and the Minnesota Department of Agriculture by December 1970 to come 'equal to' a program which is geared to the larger packing house industry and which has had more than 60 years to develop and improve its status.

There are over 7,000 such operations in small towns throughout our nation. The manager of a locker/slaughter plant in a small town in the Second Congressional District of Minnesota, which I represent, sent me a letter concerning his custom slaughtering operations. "Our customers have always been our keenest inspectors, or we would have been out of business long ago. Our aim is to keep all meats in the most sanitary condition possible, at all times."

Unless H.R. 16485, or Senator Carl Curtis' similar bill, S. 3592 which was approved by the Senate on June 5, is approved, the states and the individual operators will be forced to implement the federal standards by December 15th of this year. This will result in multiplying costs to the states and will undoubtedly result in the folding of many of the smaller business operations. I do not have to tell the members of this panel the precarious economic situation that exists in many of America's small towns. If a significant local enterprise such as a locker/slaughter plant goes out of business, jobs are lost, tax revenue is lost and the economy of the town suffers. It has come to my attention that in one small community it is expected that if the meat plant goes out of business and lets its employees go, the local bank will be unable to continue. When a bank in a small rural community closes its doors, other businesses are usually soon to follow suit.

If this amendment is not passed and the present federal law is enforced, the costs of the unneeded inspection services will inevitably be passed on to the consumer. Everyone loses when unnecessary regulations are approved and unnecessary expenditures have to be made.

I should emphasize, in conclusion, that the approval of this amendment will not in any way reduce the quality of the meats sold to consumers. Senator Curtis stated on the floor of the Senate, "The passage of this bill will not authorize one ounce of uninspected meat to be sold, either at wholesale or at retail prices. The public will be fully protected."

A concerned Minnesotan wrote me recently expressing similar sentiments. "We do not want to see the Wholesome Meat Act revoked but it must be changed to allow the smaller locker plants to continue their good service to their customers."

This amendment will not open a "loophole" in the 1967 Act, but it will permit thousands of small American businessmen to continue to make a livelihood and it will allow the hundreds of thousands of Americans who use the services of custom slaughtering operations to patronize their local businessmen.

I have been in contact with the Minnesota Commissioner of Agriculture Robert Carlson, and he has asked me to express to the Committee his support of H.R. 16485. Because of the time factor, he was unable to prepare formal testimony but I would ask that the Committee accept for the permanent record a copy of his statement of January 23, 1970, outlining the need for remedial legislation in this matter.

Mr. ZWACH. Mr. Chairman.

Mr. PURCELL. Yes, sir; Mr. Zwach.

Mr. ZWACH. Mr. Chairman, I would like to commend my colleague from Minnesota. He has been, for a lifetime, interested in producers and in countryside America and his clarification of the point that this in no way weakens the present act, that it does open up opportunity

to retain thousands of countryside businesses in our little communities, that prevents their drying up—it is just commendable that you come here this morning, Congressman, to support this legislation.

Mr. NELSEN. Thank you very much.

Mr. PURCELL. Thank you, Mr. Nelsen.

Our next witness will be Mr. Roy Lennartson, Administrator, Consumer and Marketing Service, Department of Agriculture.

Mr. Lennartson, before you present your statement, I know I am speaking not only for the subcommittee, but everyone in agriculture who knows of your announced retirement: You are going to be missed. We have appreciated the years of service that you have rendered and the cooperation that you have given this committee in all matters dealing with the Consumer and Marketing Service, and all of agriculture for that matter.

So I don't want to congratulate you on retiring, but wish you well and appreciate your being here today. I assume this may be your last appearance before a committee, I am not sure that that is correct.

STATEMENT OF ROY W. LENNARTSON, ADMINISTRATOR, CONSUMER AND MARKETING SERVICE, DEPARTMENT OF AGRICULTURE; ACCOMPANIED BY CHARLES BUCY, ASSOCIATE GENERAL COUNSEL, AND DR. WISE, INSPECTION SERVICE, CONSUMER AND MARKETING SERVICE

Mr. LENNARTSON. Well, that is most gracious of you, Mr. Chairman, and I naturally am very, very appreciative of your comments and naturally I will, too, miss the wonderful contacts that I have had with such a wonderful group of people who represent agriculture, on this committee as well as the whole committee.

I have with me today, Mr. Chairman, Mr. Charles Bucy, who is the Associate General Counsel of the Department, and also Dr. Wise, who is responsible overall for the Inspection Service of the Consumer and Marketing Service.

Obviously, we appreciate the opportunity to appear here today before you on behalf of the Department of Agriculture to comment on your bill, H.R. 16485, to amend section 23(a) of the Federal Meat Inspection Act.

The Department supports this bill. It will not reduce consumer protection but will greatly simplify the administration of the act.

The Federal Meat Inspection Act, which the Wholesome Meat Act amended, does not presently exempt custom operations from inspection if the person doing custom work engages in the business of buying or selling any meat or meat food products.

However, in many reas of the country, both these functions—custom slaughtering and custom processing, as well as the buying and selling of meat products—are carried out at a single establishment. Such an establishment, which may well depend on both types of operations for survival, is often the only source of meat products or custom service in the community.

The bill under consideration by your committee would exempt the purely custom operations from full inspection requirements provided these operations are carried out in compliance with regulations as prescribed by the Secretary of Agriculture.

These regulations would require that the establishment be maintained and operated in a sanitary manner at all times.

The regulations also would require the operator to segregate those articles handled on a custom basis from any articles he is preparing or offering for sale. And those articles handled on a custom basis would be required to be identified as "not for sale" until delivered to the owner for whom the establishment is doing custom work. All products bought and sold would be from inspected sources.

The custom operator would be required to keep records for examination by inspection personnel that would fully and correctly disclose all transactions he carries out, including both work done on a custom basis and any buying and selling he may do.

We have critically examined this proposed bill from the standpoint not only of the livestock and meat industry, but from the standpoint of the consumer as well. We believe it will continue to offer the general public the protection intended by the Wholesome Meat Act, while at the same time providing a practical means for individuals to obtain custom services for products that will be returned to them for their consumption.

Thank you for this opportunity to present our views in support of this bill, and we stand ready to respond to any questions that you or the committee members may have, Mr. Chairman.

Mr. PURCELL. Thank you very much, Mr. Lennartson.

Mrs. May has a question.

Mrs. MAY. Mr. Lennartson, I would like to precede my question by joining Mr. Purcell in his remarks concerning your pending retirement. I want to express our great regret that we are losing you and our appreciation for the fine cooperation and for the wonderful years of service you have given your country through the Department of Agriculture. We all wish you a very busy and happy retirement.

I include in this statement my colleagues on our side of the table.

Mr. Lennartson, under the terms of this amendment an operator could do custom slaughter work and could also engage in the buying and selling of meat and meat products. Now, if this man slaughters meat which he sells, he must be under inspection; is that not right?

Mr. LENNARTSON. That is correct, Madam.

Mrs. MAY. Well, in the present Wholesome Meat Act there is also a retail exemption, and your Department recently issued a proposed new definition of "restaurants, retail stores, and operations which would qualify for this exemption."

Mr. LENNARTSON. Correct.

Mrs. MAY. My question is this: Could an uninspected custom slaughterer who operates a cut-and-wrap shop for this retail trade—could that custom slaughterer qualify for this retail exemption? I am talking about an uninspected custom slaughterer who does not slaughter the meat that he sells to his retail market.

Mr. LENNARTSON. This would not be possible, Mrs. May, because by December 17 at the latest all meat in this Nation is going to be subject to inspection, and a retailer would have no choice but to handle inspected meats. He will not be permitted to handle custom slaughtered, uninspected products.

Mrs. MAY. Then what you are saying is there just are not any circumstances under which an uninspected custom slaughterer—because

there will not be any—could be exempt from inspection on his buying and selling of meat and meat products?

Mr. LENNARTSON. That is correct, Madam. That is absolutely correct.

Mrs. MAY. Well, because a number of questions did come up on this, I did want to get this into the record and make it very clear.

Thank you very much.

Mr. PURCELL. Are there any other questions of Mr. Lennartson?

Mr. SEBELIUS. Mr. Chairman, could I ask a question?

Mr. PURCELL. Yes, Mr. Sebelius.

Mr. SEBELIUS. Mr. Lennartson, are rabbits federally inspected when traveling in interstate commerce?

Mr. LENNARTSON. They are not subject to the Federal Meat Inspection Act, although the Department does conduct a voluntary inspection service which is used by some rabbit processors, for which they pay a fee.

Mr. SEBELIUS. I won't ask any further questions. I yield to Mr. Purcell.

Mr. PURCELL. All right. If there are no further questions, thank you very much, Mr. Lennartson.

Mr. LENNARTSON. Thank you, sir.

Mr. PURCELL. Our next witness is Mr. Robert L. Madeira, executive director, National Institute of Locker & Freezer Provisioners, Elizabethtown, Pa.

We will be very glad to hear from you, Mr. Madeira.

STATEMENT OF ROBERT L. MADEIRA, EXECUTIVE DIRECTOR, NATIONAL INSTITUTE OF LOCKER & FREEZER PROVISIONERS, ELIZABETHTOWN, PA.; ACCOMPANIED BY JACK SANDOW, LEGAL COUNSEL

Mr. MADEIRA. Thank you, Mr. Chairman and members of the committee.

Before beginning, may I introduce my associate, Mr. Jack Sandow, who is our association's legal counsel.

My name is Robert L. Madeira, and I am executive director of the National Institute of Locker and Freezer Provisioners, an association of over 1,300 members that is working for the benefit of approximately 7,000 custom service retail establishments primarily engaged in the sale of meat and meat food products.

We are grateful for the opportunity to testify on a bill pending before this committee, H.R. 16485, which directly affects the survival of thousands of members of our industry, and we welcome the fact that such widespread concern has been shown for the plight of our industry, by reason of the other bills which have been introduced on this subject.

Our members operate in many smaller towns and cities throughout the country, performing two vital services for the citizens in their communities. They sell inspected meat to household customers, supplying sides, quarters, and various other cuts of meat according to the customer's individual specifications. And they perform custom services for farmers, processing and freezing meat from custom-slaughtered and farm-slaughtered animals so that farmers may consume animals which they raise.

The combination of these activities, which involve the use of the same personnel and facilities, has enabled these establishments to operate at a reasonable profit while serving their customers. However, the U.S. Department of Agriculture has concluded that section 23(a) of the Wholesome Meat Act of 1967 would, in its present form, effectively cause these establishments to discontinue one or the other of these activities, and consequently force many of them out of business altogether with the resultant loss of both jobs and tax revenues in numerous rural communities and small towns.

The Wholesome Meat Act contains two important exemptions from inspection requirements: (1) already inspected meat processed for sale at retail; and (2) farm-raised livestock slaughtered and processed for the farmer himself.

If an establishment performs either of these services independently, it is exempt. If an establishment performs both of these services, it is not.

When we testified in 1967 in support of the Wholesome Meat Act, we pointed out that the law as drafted might have this result. However, the Department of Agriculture's original position was that it would have authority under this act to permit establishments to conduct both activities, under sanitary regulations prescribed by the Secretary of Agriculture. It has since concluded that it lacks this authority.

The purpose of H.R. 16485 is to give the Department this authority, which will both protect the consuming public and permit thousands of small businessmen to continue performing their traditional, legitimate, and vital services. After all, if locker and freezer provisioners are unable to perform custom slaughter and processing services for farmers, many farmers will be forced to revert to an undesirable situation where they would have to slaughter and process their animals on the farm, unaided by clean, sanitary facilities and methods of handling.

Rather than weaken the Wholesome Meat Act, H.R. 16485 would clearly strengthen it. For the first time, the Secretary of Agriculture would have authority to prescribe regulations to assure that establishments conducting custom operations are maintained and operated in a sanitary manner. Moreover, the Secretary would have authority to prescribe the appropriate standards for segregating custom meat for the farmer from inspected meat handled for sale at retail.

We have worked closely in cooperation with the Department of Agriculture and Members of both the Senate and the House of Representatives in order to reach a positive, effective result, from the point of view of both consumer protection and the industry's preservation. We believe that H.R. 16485 achieves these purposes, and we urge its passage.

As you know, the Senate, on June 5, passed S. 3592, which is practically identical to H.R. 16485. The only difference between these bills is a purely technical and clarifying one, to which we have no objection. We believe that H.R. 16485 could clearly be amended in like manner, to harmonize with S. 3592.

Mr. PURCELL. Thank you very much, Mr. Madeira.

Are there questions of this witness?

I believe not.

Thank you very much for the statement, and also thank you for the work and leadership that you and your association has taken in helping correct this situation that has developed.

Thank you very much.

Mr. MADEIRA. Thank you.

Mr. PURCELL. Our next witness is Mr. Marvin L. McLain, legislative director, American Farm Bureau Federation.

We will be glad to hear from you at this time.

STATEMENT OF MARVIN L. McLAIN, LEGISLATIVE DIRECTOR, AMERICAN FARM BUREAU FEDERATION

Mr. MCLAIN. Thank you, Mr. Chairman.

On behalf of the American Farm Bureau Federation, I wish to express my appreciation for the opportunity to appear before this subcommittee with respect to the provisions of H.R. 16485. This bill proposes to amend the Federal Meat Inspection Act to clarify the provisions relating to custom slaughtering operations.

The Federal Meat Inspection Act, dating back more than a half century and amended from time to time to meet changing conditions, is an excellent law. Farm Bureau over the years has supported legislation that would strengthen the Federal meat inspection system. At the same time, we have actively supported and been involved in the improvement of State meat inspection programs. We have had a long-standing policy in support of funds for adequate inspection of red meat and poultry.

We are very much interested in both Federal and State meat inspection programs because of the many Farm Bureau members who produce livestock and poultry.

At our most recent annual meeting, in December 1969, the official voting delegates of the member State Farm Bureaus adopted the following resolution concerning meat and poultry inspection:

> The objective of federal and state meat and poultry inspection programs is to provide consumers with a wholesome supply of meat and poultry products. This is a service to consumers, and its cost should be paid from general revenue funds.
>
> We urge the States to develop meat and poultry inspection programs which are equal to the Federal inspection programs in order to avoid complete federal domination. We recommend that meat and poultry inspected under state programs which are equal to federal inspection and approved by the U.S. Department of Agriculture, be permitted to move in interstate commerce.
>
> The application of the federal meat and poultry inspection program to custom slaughtering plants, locker plants, and producer-slaughterers can have a serious and adverse effect on farmers. We urge that regulations governing these operations be reasonable so as not to limit the processing of meat for home use.

H.R. 16485 would amend the Federal Meat Inspection Act to modify the provisions relating to custom slaughtering operations. The last paragraph in our 1970 policy indicates that we believe regulations governing these operations should be reasonable so as not to limit the processing of meat for home use.

H.R. 16485 would amend the act to permit custom slaughtering of livestock to be done for farmers and ranchers in an establishment where meat is also cut and sold at retail. It would prescribe strict requirements which would have to be met in order for these two types of activities to be conducted in the same establishment. While we do

not favor loosening the protection being provided to consumers under the present law, we feel that the authority given to the Secretary of Agriculture to establish exemptions for custom slaughtering operations with proper safeguards is sound. We therefore support the principle of this particular amendment to the Federal Meat Inspection Act.

The Farm Bureau recognizes that there are many difficulties involved in developing a meat inspection program both at the Federal and State levels. We have worked with the officials in the U.S. Department of Agriculture, and our State Farm Bureaus have worked at the State level in order to develop a meat inspection program that would provide a wholesome supply of meat. This is important if consumers are to have the assurance that the meat they buy has been brought to market under adequate protection.

In summary, we urge the adoption of H.R. 16485.

We appreciate the opportunity to present this statement.

Mr. PURCELL. Thank you very much, Mr. McLain.

Are there questions of this witness?

I believe not. So thank you very much.

Our next witness is Mr. Arnold Mayer, legislative representative, Amalgamated Meat Cutters & Butcher Workmen of North America.

We will be glad to hear from you at this time, Mr. Mayer.

STATEMENT OF ARNOLD MAYER, LEGISLATIVE REPRESENTATIVE, AMALGAMATED MEAT CUTTERS & BUTCHER WORKMEN OF NORTH AMERICA, AFL–CIO

Mr. MAYER. Thank you, Mr. Chairman.

My name is Arnold Mayer. I am the legislative representative of the Amalgamated Meat Cutters & Butcher Workmen, AFL–CIO.

The Amalgamated is a labor union with 500,000 members organized in about 700 local unions throughout the United States and Canada. The Amalgamated and its local unions have contracts with thousands of employers in the meat, retail, poultry, egg, canning, leather, fish processing, sugar, and fur industries.

We appreciate the opportunity to present our views once again to the committee on meat inspection problems. As you know, our union has long been greatly concerned with and involved in the establishment of legislation and regulations to provide the maximum amount of protection for consumers and workers through inspection programs.

Our union has had discussions with some members of the committee about the problems of small custom slaughterers. As a result of these conversations, the executive officers of our union, President Thomas J. Lloyd and Secretary-Treasurer Patrick E. Gorman, sent the following letter of March 18 to the chairman of the subcommittee, Representative Graham Purcell, sponsor of H.R. 16485, a bill similar to S. 3592 as approved by the Senate:

DEAR MR. PURCELL: Our Union supports H.R. 16485. The bill affects only custom slaughtering and that type of operation provides meat only for the slaughtered animal's owner. The meat will not be sold to anyone. We, therefore, see no public interest served by the inspection of custom slaughter operations. In fact, we took this position during the Congressional consideration of the meat inspection legislation and had believed custom slaughter was already exempt.

We are sorry that the Act must be amended at this time. While we are disappointed by some aspects of effectuating the Act—such as the small percentage of intrastate meat plants now being inspected under standards at least equal to the Federal inspection—we had hoped that no new legislation would be necessary. As you know, our Union has strongly opposed other amendments which would have provided a delay in the Act's consumer protection and would have cut wide loopholes in the inspection law. We continue to oppose such legislation and would be prepared to participate with consumer-interest organizations in a battle similar to the 1967 one to safeguard and extend the consumer protection won in the Wholesome Meat Act.

Sincerely,

(Signed) THOMAS J. LLOYD, *President.*
(Signed) PATRICK E. GORMAN, *Secretary Treasurer.*

Our union therefore supports H.R. 16485 and S. 3592 to clarify provisions relating to custom slaughtering operations.

During hearings on this legislation in the Senate, other bills were considered also, including one measure which we believe would seriously weaken the existing meat inspection program. We are delighted that the Senate Agriculture Committee decided to pass over the other bills and that they were not raised in the Senate debate.

We respectfully urge that this committee not add any major changes in the Wholesome Meat Act to this comparatively minor amendment either.

Mr. PURCELL. Thank you very much, Mr. Mayer.

Are there questions of this witness?

Mr. FOLEY. Mr. Chairman.

Mr. PURCELL. Mr. Foley.

Mr. FOLEY. I would like to commend Mr. Mayer and the Amalgamated Meat Cutters & Butcher Workmen for their position on this legislation. Those of us who were closely involved with the passage of the Wholesome Meat Act know what an extremely important role the Amalgamated Meat Cutters & Butcher Workmen played in the original enactment of the legislation. No group took a more active or effective role in its passage.

I am also very pleased that the union is alert to the danger of enacting suggested amendments that would permit, for example, the movement of State-inspected meat in interstate commerce or otherwise weaken the provisions of the act, and that the union stands ready to resist those efforts with the same force and vigor that it displayed in the passage of the act 2 years ago.

Mr. PURCELL. Any other questions?

Well, thank you very much, Mr. Mayer.

Mr. MAYER. Thank you.

Mr. PURCELL. At this time, I am going to ask Mr. Kleppe to present our next witness. Mr. Kleppe, I would just like for the record to show that Mr. Mark Andrews has spoken to me many times about this bill. It is absolutely necessary that he be in another committee this morning, and, except for that fact, he would be here today to present his statement.

Mr. KLEPPE. Thank you.

Mr. Dunn, will you take the witness stand.

Mr. Dunn, I just want to welcome you to this subcommittee as a fellow North Dakotan and indicate to you that I am very happy and very pleased that you came down here to testify on this bill.

Then I would like to say to the members of the subcommittee that we kind of feel a special interest in this legislation in North Dakota because, as you know, we were the first State that was moved under full Federal control. As a matter of fact, through a number of actions one way or another, the date now is June 23, is it not, when the takeover is supposed to take place? So that is just a very short time from the date of this hearing. You can get an idea of the interest that we have in North Dakota over this particular piece of legislation, because, as Dr. Dunn will testify, we have almost 200 of these small operators that are literally put out of business because of the provisions of the present act that do not leave any leeway for this combination operation.

Mr. Dunn, with that, it pleases me to introduce you to this subcommittee and thank you for coming up.

STATEMENT OF EDWARD V. DUNN, ASSISTANT PROFESSOR OF AGRICULTURAL ECONOMICS, NORTH DAKOTA STATE UNIVERSITY, FARGO, N. DAK.

Mr. DUNN. Thank you, Congressman Kleppe and members of the committee.

I teach and conduct research in the areas of agricultural marketing and livestock production and marketing.

Presently, I am conducting a research project to determine the structure and performance of the livestock slaughtering and meat-processing industry in North Dakota. One of the objectives of the study is to determine the impact that the 1967 Wholesome Meat Law will have upon North Dakota's meat industry.

The reason I am submitting this statement before this committee is that North Dakota, as Congressman Kleppe has mentioned, is the only State that has conducted a complete survey of its meat industry. No other State has, and it is also the only State that has been committed to Federal inspection. It is for this reason that I think we provide, or North Dakota provides, an example of what we can expect the Wholesome Meat Law to do in a State.

In regard to North Dakota, the livestock slaughtering and meat processing industry in North Dakota is composed of eight federally inspected and 193 nonfederally inspected firms.

In March 1970, a questionnaire was sent to all nonfederally inspected firms in North Dakota. The results of the 97 questionnaires that were completed and returned indicate that the impact of the wholesome meat law is going to be much greater than many people in North Dakota and the rest of the United States expected.

The survey results indicate that approximately 22.7 percent of the firm managers plan to initiate Federal inspection, while 12 percent indicate they will discontinue their meat operations entirely.

Another 13 percent of the managers listed other plans, such as selling the meat firm or separating the custom slaughtering service from the retail business by having two separate sets of buildings and equipment.

A total of 52 percent of the managers indicated that they plan to be exempt from the requirements of the wholesome meat law. Thirty-one percent of the firm managers intend to discontinue custom slaugh-

tering and processing and obtain a retail exemption. The remaining 21 percent of the firm managers plan to discontinue retailing of meat and operate under a custom exemption.

Now, the survey also revealed that a common concern of the approximately 100 firm operators that will become exempt by discontinuing custom services or meat retailing is that the decrease in net income will be sufficiently large so that these operators will eventually be forced to discontinue their meat business. Nearly half the managers who felt they could not meet the requirements of the law indicated that they were too elderly to change locations or begin a new occupation.

From the results of this survey, it is expected that at least 24 of the 193 nonfederally inspected meat firms in North Dakota will discontinue as an immediate result of the requirements of the wholesome meat law.

It is impossible at this point to predict the number of firms that will eventually discontinue due to the long-term impact of this law. It is expected, however, that at least some of the 100 firm managers planning to become exempt will eventually discontinue due to resulting decreases in their net incomes. It has been said many times that the intent of the Wholesome Meat Act was not to put small meat firms out of business, but regardless of the intent, the law will cause a substantial decrease in the number of meat firms and the net incomes of many of the remaining firms in North Dakota.

The basic intent of the wholesome meat law is beneficial—to assure clean and wholesome meat for consumption. But it is possible the administration of the law may be going beyond what the lawmakers had intended this law to accomplish.

The North Dakota congressional delegates have made considerable effort to postpone the Federal takeover or get the law amended. Presently we have a restraining order in effect in North Dakota to do just that, to prevent the Federal takeover until Congress at the Federal level will have a chance to make adjustments in the Wholesome Meat Act.

At present, neither of these two approaches show promise of solving both the immediate and long-term problems of adjustment that the North Dakota meat firm managers are experiencing. What I am saying there, if there is to be relief from the requirements of this law it has to come from the Federal level. It cannot come at the State level.

The purpose of this statement is to provide an indication of the effect that the requirements of the 1967 wholesome meat law are having upon North Dakota's meat industry and the impact that it is likely to have on the meat industries in other States.

From correspondence with my associates in other States, including the chairman of this particular committee, I am confident that the overall sanitary conditions of North Dakota's meat industry are equivalent or superior to the sanitary conditions in many other States. Therefore, if the meat firm operators in North Dakota are finding the requirements of this law more stringent than they are able to meet, then operators in other States can look forward to as much or more

difficulty in complying with the law. Other States will have this opportunity as of December 15, 1970.

Mr. PURCELL. Thank you very much.

Any questions of this witness?

Mr. KLEPPE. Yes, sir.

Mrs. MAY. Yes, sir.

Mr. Dunn, you don't make it clear in your statement. Are you supporting the amendment, the bill that is before us?

Mr. DUNN. The information that I provide, yes, is in favor of an amendment.

Mrs. MAY. Do you think it will relieve some of the hardship on your operators in the State of North Dakota?

Mr. DUNN. The present amendment being considered here, yes, will alleviate the major concern of the meat firms in our State.

Mrs. MAY. Thank you.

Mr. KLEPPE. Mr. Chairman.

Mr. PURCELL. Mr. Kleppe.

Mr. KLEPPE. Dr. Dunn, I again want to thank you for your statement, and if I might just follow up for a second on Mrs. May's question—of these 24 of the 193 nonfederally inspected firms that indicated they would discontinue, do you believe that all of those, or none of those, will go out of business if we pass this amendment?

What is your personal view of that?

Mr. DUNN. Well, I personally was in approximately one-third of these plants myself in conducting this interview, and I believe if I was to make a statement that a very major portion of the 24 firms would remain in operation—I don't think I would say that all of them would. I think that some of them may be near retirement or something.

Mr. KLEPPE. If we pass the legislation, at best, it is your opinion, anyway, that we are going to be able to keep most of those small firms in business because of the flexibility it gives them to retain their income?

Mr. DUNN. Very definitely, but I would like to add another point to that, Congressman Kleppe, and that is that I think the repercussions of the other 50 percent that will discontinue is of as much concern as the 24 that are presently in difficulty.

Mr. KLEPPE. It is your opinion that even though this amendment is passed, that some of those others that are already hurt from the activity that has taken place may go out of business anyway; is that correct?

Mr. DUNN. That is correct, sir.

Mr. KLEPPE. Thank you very much, Doctor.

Mr. MELCHER. Mr. Chairman.

Mr. PURCELL. Mr. Melcher.

Mr. MELCHER. Professor Dunn, in your associations with the businessmen in North Dakota that are involved here, were they under the impression that the regulation of the Department would be issued and would permit them to both retail and custom slaughter? We have had several witnesses previous to you that testified that it was their understanding that the Department would adopt a regulation that would do what this bill is intended to do.

Mr. DUNN. Congressman Melcher, that was the opinion that I had gotten, if these meat firm operators——

Mr. MELCHER. And at what point were they informed that no regulation was forthcoming to protect their interest?

Mr. DUNN. I don't think that there was a definite point. I would like to say that I attended all of the informative meetings that were held to inform the meat firm managers in our State of the present situation regarding the wholesome meat law and possible amendments to it. The changes that were—that did develop, I believe, were gradual, from one of a liberal stand to a more stringent type of situation.

From that, what I am saying is that it was the impression that the changes would not be major but would have to be made, and to comply with Federal inspection. I think that the intent of a major portion of the meat firm operators in North Dakota was that they would make the adjustments necessary to initiate Federal inspection.

Mr. MELCHER. Thank you, Professor.

Mr. FOLEY. Mr. Chairman.

Mr. PURCELL. Mr. Foley.

Mr. FOLEY. Dr. Dunn, at the time the Wholesome Meat Act was enacted there was, as you know, a provision allowing the States 2 years to come up to equal standards with this type of a system, plus an additional year available at the opening of the act, which has been granted. Thus this December will mark 3 years since the enactment of the act.

What, in your judgment, is going to be served by an extension of that time?

Mr. DUNN. Well, North Dakota——

Mr. FOLEY. Why would additional time be valuable to these particular producers if they haven't done anything in 3 years to meet the standards required by the act?

What is going to be accomplished by extending it?

Mr. DUNN. Well, the amendment as proposed is not for an extension of time. The amendment——

Mr. FOLEY. No, but I gathered in your remarks that there is a Federal court action to delay the Federal takeover.

Mr. DUNN. Right. Oh, pardon me.

Mr. FOLEY. What is the purpose of that?

Mr. DUNN. The restraining order that is presently in existence in North Dakota at the present time is to give time for this amendment that is presently being considered to go into effect.

Mr. FOLEY. This particular amendment?

Mr. DUNN. Right here, yes.

Mr. FOLEY. Thank you.

Mr. PURCELL. If there are no other questions, thank you very much, Dr. Dunn.

Mr. DUNN. Thank you.

Mrs. MAY. Mr. Chairman, I wonder if we might go off the record for a moment?

(Discussion off the record.)

Mr. PURCELL. Thank you, Mrs. May, and back on the record.

The next witness is Mr. John G. Mohay, executive vice president, National Independent Meat Packers Association.

We will be glad to hear from you at this time.

STATEMENT OF JOHN G. MOHAY, EXECUTIVE VICE PRESIDENT, THE NATIONAL INDEPENDENT MEAT PACKERS ASSOCIATION, WASHINGTON, D.C.; ACCOMPANIED BY EDWIN H. PEWETT, GENERAL COUNSEL

Mr. MOHAY. Mr. Chairman, members of the committee, my name is John G. Mohay. I am executive vice president of the National Independent Meat Packers Association.

I am accompanied today by Mr. Daniel O'Callahan on my left, the director of public affairs of the association; and on my right by Mr. Edwin H. Pewett, general counsel of the association.

We wish to thank the subcommittee for this opportunity to present this statement expressing the official opposition of the National Independent Meat Packers Association to H.R. 16485.

Our association is comprised of several hundred meatpacking plants located in all parts of the United States, which plants are engaged in virtually every aspect of meatpacking industry operations. The word "independent" in the title of our association's name in general—although there are a few notable exceptions—indicates that our members operate a single plant serving a community or region, in contrast to meatpackers whose products have national or near-national distribution.

At the outset, may I say that traditionally and historically it has been the policy of this association and its members to seek to provide consumers of meat with nutritious and wholesome products produced under sanitary conditions, accurately and truthfully labeled, honestly and fairly packaged, and sold at the lowest prices economically feasible. This longstanding policy was in effect long before the concept of consumer protection took on the added political and social force it presently enjoys.

This association wholeheartedly endorses and subscribes to the principles embodied in the Wholesome Meat Act of 1967—Public Law 90–201—and has encouraged its membership and the industry to use every resource available to continue to produce meat and meat food products of the highest quality in order to assure public confidence in the meat supply.

When and if public confidence in the integrity, wholesomeness, and sanitation of the meat supply is shaken—the entire membership of the meatpacking industry will suffer.

It is our aim to continue to reinforce, in the mind of the public, a feeling of security when approaching the meat counter—a feeling based on the knowledge that the meat products displayed in the showcase are the products of a sound, viable, and effective meat inspection system administered in a manner that in no way compromises consumer protection.

We do not believe this aim would be furthered by the establishment of two levels of inspection, which we believe is contemplated by the bills under consideration by this subcommittee—one level for meat packers and processors, and a second, less stringent level for the custom slaughterer. It is our firm and considered opinion that the philosophy which prevailed and successfully enacted into law the Wholesome

Meat Act of 1967 seeks to achieve one level of inspection—not two or more levels established for reasons other than consumer protection.

We sympathize with those who may find it difficult to comply fully with the provisions of the act and regulations issued thereunder. Indeed, many of our members are still in the process of expending considerable efforts and substantial amounts of money in order to comply with the physical plant requirements of the law. We do not believe this exception to the act, which these bills would provide for, is in keeping with the purpose of the act.

Thank you.

Mr. PURCELL. Thank you very much, Mr. Mohay.

Are there questions of this witness?

Mr. FOLEY. Mr. Chairman.

Mr. PURCELL. Mr. Foley.

Mr. FOLEY. Mr. Mohay, I don't wish to quarrel with the statement, but just for the record, isn't it true that your association opposed the enactment of the Wholesome Meat Act of 1967?

Mr. MOHAY. We supported the philosophy of the act, sir. We did oppose certain technical aspects of it.

Mr. FOLEY. Did you at any time endorse the passage of the act?

Mr. MOHAY. No, no, sir; we did not.

Mr. FOLEY. And in fact you opposed it in its final form?

Mr. MOHAY. I am informed that we supported or favored State inspection.

Mr. FOLEY. Yes, but you opposed the enactment of the 1967 Wholesome Meat Act. As I recall you testified against it several times, public statements opposed its enactment and isn't it pretty clear that you did oppose the enactment of the 1967 form?

Mr. PEWETT. May I answer?

Mr. Congressman, we favored then, as now, as we always have, a concept of a strong inspection of our industry. We did not favor the idea that the Federal Government should take over all of the inspection. We felt that the strengthening of the State meat inspection services was also of paramount importance. We believe that time has shown we were not in error there, because the Federal Government, apparently, is now trying to make every effort to strengthen the State inspection system, and as far as we can tell from the excessive overtime that we are being required to pay due to the shortages of inspectors, we must have been right. But we have always favored the strongest type of inspection of our products. We did not, however, favor entirely turning it over to the Federal Government.

Mr. FOLEY. I don't wish to prolong it, but if we were today discussing the 1967 Meat Inspection Act with this amendment, would you recommend that it be passed with this amendment, or would you recommend other amendments before it could meet your approval?

Mr. PEWETT. I think we would have to be consistent, sir. We would feel again we would want strong inspection without two standards. We have to toe the mark at great expense and at great trouble, and today we think that it is a case of—"what is sauce for the goose should be sauce for the gander."

We do not believe in exceptions to the act. We did believe and still believe that the State governments can perform a very useful service

and that their inspection systems can help to perform a job which is, I think, as the Department of Agriculture people have testified, a tremendous one for them.

We are also concerned, as we said to you then, sir, that we want to be sure that the Congress, once it has forced this inspection upon everyone, this Federal inspection, will make sure that it gives the Department of Agriculture adequate money to employ the necessary inspectors, because if you do not, we run into overtime, which we have to pay and which we are paying today in tremendous amounts of money, millions of dollars of money.

But we are absolutely for inspection. I think that we would have said then—it is entirely theoretical—but I think we would have had to say then, as we do say now, that we are not for exceptions to the act as to inspection. We are in favor of a strong inspection, but we did not then necessarily believe it should be all Federal.

Mr. FOLEY. The only reason I raise this issue is not because I am trying to quarrel with the argument you are making in your statement, but because some of the organizations who testified in favor of this amendment were very active sponsors and proponents of the 1967 act. I didn't want your statement to leave the impression that such was your role in 1967, that you were strongly and enthusiastically in support of the Wholesome Meat Act, because as I recall, along with the National Association of State Directors of Agriculture, the Independent Meat Packing Association was one of the principal opponents of its enactment in that form.

Mr. PEWETT. I am glad to correct the record for you, sir.

Mr. MELCHER. Mr. Chairman.

Mr. PURCELL. Mr. Melcher.

Mr. MELCHER. I would like to pursue this excessive overtime a little bit, if I could.

Mr. MOHAY. Yes, sir.

Mr. MELCHER. The term "millions of dollars" has been used. How prevalent is overtime for inspection?

Mr. MOHAY. I would say in answer, yes, sir, that there are very few federally inspected packers that are not paying a considerable amount of overtime. We represent the local and regional packers, as I indicated. Our experience has been that virtually every one of our plants which is federally inspected is paying considerable overtime for inspectors.

Mr. MELCHER. Under what conditions?

Mr. MOHAY. We have some plants operating on a 24-hour basis: If you have a 24-hour operation, even though you may be qualified for three 8-hour shifts of inspectors, due to a shortage of inspectors at the time, it is usually scheduled on two 12-hour shifts for inspectors, so you are actually paying 8 hours a day overtime.

In other instances, due to the nature of the beast, you might see in a packinghouse that different departments have different operating times of day—the plant might be operating for 10, 12 hours. It is extremely difficult to get inspection schedules to correspond, and as a result smaller packers will be paying from 2 to 4 hours a day where they are running especially a one-shift operation.

Mr. MELCHER. Well, breaking this down into two groups, then, what you are telling me, if a packer operates 10 to 12 hours a day he is not entitled at public expense to more than 8 hours of inspection; is that what you are telling me?

Mr. MOHAY. That is correct, and I don't want to mislead you, but there are possibilities that where a plant may be entitled to more than one inspector, they may be able to start the inspector schedules on different time schedules.

But even in this instance we have had situations in parts of the country where there were not enough inspectors available.

Mr. PEWETT. Congressman, may I say this: it has been our view, and still is our view, that if you are to be subject to the act you are entitled to have the inspectors at such hours as you designate. We have never believed that the Secretary of Agriculture should tell American plants when they should operate and when they should not operate. But we did fear, Mr. Foley, when we were in 1967 debates, the time would come when there would be a shortage of inspectors, and we were told that we would have to operate at least on full operations, which we think increases the cost of meat products and certainly increases our costs. We have found that they do not have, or by regulations they do not permit us to have, the number of inspectors that we think we need.

They have their own criteria, which in our view tend to assure that there will be a shortage of work to fill inspectors' time. I think of one example of a packer in the South who had three inspectors to start with and they withdrew one of the inspectors. We had meetings with the Department of Agriculture people both here in Washington and down South, and a member of this committee went with me, a member of your committee went with me to see them.

Suffice it to say, we never did solve all of the problems, because they apparently just don't have that number of inspectors. I just heard the other day that this operator has decided to drop his Federal inspection and go back to State inspection. Now, until December 15 he can do that all right, but then the law will apply to him with its full vigor. He would not have the exception which this legislation would give to custom slaughterers.

We feel we are in a situation where we are discriminated against in this regard. We would appreciate anything that you can do to encourage the Department to give us inspectors—to give USDA the money that they need, or whatever it takes, the ceilings to be changed, which may not be in your branch of the Government—but whatever is needed to get us the relief, so we can get the inspectors, would certainly be appreciated.

Mr. MELCHER. Well, the other point you made in answer to my question was that there are occasions when a plant is approved for 24-hour kill, 24-hour operation, and it has been assigned inspectors for the 24-hour——

Mr. MOHAY. Two 12-hour, which means automatic overtime.

Mr. MELCHER. All right. Now, are there conditions where they are assigned three 8-hour shifts?

Mr. MOHAY. I don't think so, Congressman.

Mr. MELCHER. You mean it is a policy on a 24-hour kill operation, to force 8 hours into overtime? Is that a routine policy?

Mr. MOHAY. I believe, Congressman, that is correct. I believe they would like to give us three 8-hour shifts, but they can't.

Mr. MELCHER. I know. You have probably testified before the Appropriations Subcommittee on this question, have you not?

Mr. MOHAY. Yes, sir.

Mr. MELCHER. You must have gathered your facts at that time and presented them, so you don't have to tell me that you think that is the situation. You know, from your previous testimony. I wonder if you could provide this subcommittee with that testimony?

Mr. MOHAY. Yes, sir.

(The statement referred to above is on file with the committee and also appears in the Agriculture Appropriations hearings of March 16, 1970, pt. 5, p. 46.)

Mr. FOLEY. Would the gentleman yield?

Mr. MELCHER. Yes, I would be happy to yield.

Mr. FOLEY. I would like to say that I am in full agreement with your suggestion that there should be adequate appropriation for meat inspection. Those of us who supported the Meat Inspection Act of 1967 continue to support the concept of full funding for the implementation of that act.

Mr. MOHAY. Thank you.

Mr. MELCHER. Well, some question has been raised, at least in my mind, and I think a number of other people's minds, as to whether we are actually providing funds for adequate inspection, not only domestic, but adequate inspection on the import side.

Mr. MOHAY. I don't think there is any question, sir, that there is not enough money available to adequately staff the Federal Meat Inspection Service with a sufficient number of inspectors to meet the need.

Mr. MELCHER. Thank you.

Thank you, Mr. Chairman.

Mr. PURCELL. Mr. Foley?

Mr. FOLEY. No.

Mr. PURCELL. This is only to follow up what both Mr. Melcher and Mr. Foley have said: Are you aware of a policy now in existence where there has been a directive put out whether by District Inspectors or others, stating that the policy is to instruct the inspectors and supervisors to use as much overtime as possible, indicating apparently a desire to insist on this rather than to try to have any more inspectors?

Mr. PEWETT. No, sir; that is alarming. I am not aware of it, no, sir.

Mr. PURCELL. All right.

Any other questions?

Thank you very much, gentlemen.

Mr. MOHAY. Thank you, sir.

Mr. FOLEY. Mr. Chairman.

Mr. PURCELL. Mr. Foley.

Mr. FOLEY. That completes the list of scheduled witnesses. Since we had many witnesses here today, I didn't want to take the time of the committee to do what, as you say in Texas, constitutes bragging on the accomplishments of Mr. Neal Smith of Iowa. But I think the record should show that Mr. Smith has been a pioneer in this Congress and in this unique field of Federal meat inspection ever since he came to Congress. He has been the constant champion of clean and effective meat inspection for the benefit of American producers and consumers.

His support of this amendment, I think, will carry tremendous credibility among all the consumer organizations who know of his great accomplishments and contributions to the wholesome meat and poultry products.

Mr. PURCELL. Thank you, Mr. Foley.

Without objection, the insertion of that statement immediately following the statement made by Mr. Smith will certainly be allowed.

I would associate myself with what Mr. Foley has said about the leadership Mr. Smith has taken in regard to the Wholesome Meat Act.

At this time, without objection, I will submit for the record various statements that have been presented for this purpose. One is by Mr. Peter H. Petersen, who is the Washington representative of the National Association of Meat Purveyors.

Another statement is submitted to the record from Congressman Mark Andrews of North Dakota; a statement by Congressman Robert V. Denney, who would like to have his statement submitted for the record; then a statement by Congressman E. Y. Berry of South Dakota: and a statement by Mr. Robert W. Carlson, a Minnesota commissioner of agriculture.

Then two letters, one from the Governor of Nebraska, Governor Tiemann, to Chairman Poage, and Chairman Poage's response to that letter should go in the record; and the final statement by American National Cattlemen's Association, a short letter addressed to myself from Mr. C. W. McMillan, their executive vice president.

(The documents above-referred, and others later submitted, follow:)

STATEMENT OF PETER H. PETERSEN, WASHINGTON REPRESENTATIVE, NATIONAL ASSOCIATION OF MEAT PURVEYORS

Mr. Chairman and members of the Committee. My name is Peter Petersen. I am the Washington Representative of the National Association of Meat Purveyors. I am grateful to you for the privilege of appearing here today so that we might comment on HR-16485 sponsored by Cong. Graham Purcell, Subcommittee Chairman.

Our level of distribution supplies meats and meat products to the eating out public. In other words, we deliver to hotels, restaurants, ship and airlines, schools, institutions, etc.

Percentage-wise, 26% to 30% of all meats produced and delivered to these eating places away from home groups, and the economists tell us this will continue to grow.

Our Association has a membership of 400 including four (4) of the major packers and thousands of employees. Our Association has been, and is, one of the strongest supporters of Federal inspection and we are particularly anxious to state forcibly that this is also our position with reference to the Wholesome Food Act of 1967.

Almost all of our members presently operate under full Federal inspection as a result of complying with various regulations promulgated by the U.S. Department of Agriculture.

With the passing of the Act iu 1967, most of those remaining outside the Federal inspection were given time for filing plans, and additional time for construction, which will expire in December of this year.

In most cases, this involved great expense, many times necessitating the use of working capital.

All of this should indicate to you our desire to comply and support to the fullest the Wholesome Meat Act and the protection intended for the consumer, in which I am sure we all concur.

We have considered carefully the proposed bill and would like to state our position on it.

This bill would permit custom slaughtering at a plant regardless of whether such establishment was engaged in buying or selling, or any other operation under inspection.

As we mentioned earlier, we are very much in favor of the Wholesome Meat Act being implemented and continued as written and passed. We would be opposed to any weakening or dilution of it.

Our great concern in this particular amendment is the ability to keep separate the operation of processing, buying and selling Federally inspected products from possible contamination, if that's the right word for items custom killed and processed.

We do not dispute the right of a farmer to have his livestock slaughtered and ear-marked for his own use. However, it will take very close observance on the part of any inspection service to see that these two (2) operations are completely separated, and no possible chance of the custom slaughtered meat finding its way into other channels.

We understand that regulations would be promulgated by the Department of Agriculture assuring that the custom slaughtering operations and all the products thereof will be kept separated at all times from the meat which is handled for sale at retail.

Under these circumstances, we would have no opposition to HR-16485.

STATEMENT OF HON. MARK ANDREWS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NORTH DAKOTA

Mr. Chairman: I am pleased to have this opportunity to testify in behalf of legislation I co-sponsored to amend the Federal Meat Inspection Act. The purpose of this amendment very simply allows meat processors who are custom slaughterers to buy and sell meat at retail on the same premises as they slaughter. All the meat that is sold, of course, must be government inspected.

The overwhelming approval the Congress gave the so-called Wholesome Meat Act in 1967 is clear evidence of the importance we attach to consumer protection legislation. As happens so often with Acts of Congress, however, the administration of the law in its early application has revealed weaknesses and drawbacks which could not have been envisioned beforehand. This particular law has created undue hardships and penalties for small meat processors that surely were not the intent of Congress.

The purpose of this amendment is to correct this inequity.

As you are aware, when it became clear that the Government of North Dakota was not able to provide evidence its inspection system was moving toward compliance with Federal regulations, the Federal Government took over the job of meat inspection in our state. Thus, North Dakota has become a "proving ground" for the Act. It is proving to be a ruinous and tragic law for many small, custom slaughterers whose livelihood rests jointly on the business of custom slaughtering and retail sale of meat. Forbidden to engage in both practices, they are finding they cannot make a living in either one alone. As they are forced out business, they, and the communities they serve, are the victims of this testing period any legislation must go through.

Since these small slaughterers operate in the small towns of our state, their situation would seem to be different from the large slaughterer situated in a large community. These small towns are very close-knit communities and the people buying the meat know personally the individuals they are buying from and they are, for the most part, personally familiar with the conditions under which the meat is processed.

The purpose of the Wholesome Meat Act, Mr. Chairman, was to help insure wholesome meat products for consumers. It was not the intent of Congress to put small meat processors who are providing an essential service to their communities out of business. Our legislative proposal will not impair the thrust of the law, but it *will* help the small meat processor in a state like North Dakota stay in business to serve his customers.

With this in mind, I urge the approval of this legislation.

STATEMENT OF HON. ROBERT V. DENNEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEBRASKA

Mr. Chairman, and Members of the Committee, I appreciate this opportunity to say a word or two on behalf of this bill which would amend the Federal Meat Inspection Act to clarify the provision relating to custom slaughtering operations. Senator Carl Curtis told the Senate Agriculture Committee that rural

America would suffer a serious economic setback unless the federal meat inspection law was amended. I concur with this statement.

The bill would amend Section 23(a) of the Federal Meat Inspection Act. The effect of this bill would be to exempt the custom preparation by any person of carcasses, or parts or products thereof, of livestock slaughtered by the person who raised the livestock, or of game animals, provided the articles are delivered by the owner for such custom preparation and are exclusively for use in his household by him and members of his household and his nonpaying guests and employees, and the custom operations are carried out in compliance with regulations to be prescribed by the Secretary. The regulations would include requirements to assure that the establishment is maintained and operated in a sanitary manner and that the articles handled on a custom basis are separated at all times from meat products for sale and are marked as "Not for Sale" until delivered to the Owner. The custom operator would be required to keep such records as would fully and correctly disclose all transactions involved in his business.

The bill would retain present provisions exempting certain custom slaughtering operations but would eliminate the requirement that the exempted slaughterers shall not engage in buying or selling any meat or meat food products capable of use as human food. In many areas of the country both these functions have been carried out at a single establishment, often the only source of meat products or custom service in the community.

I am very concerned over the severe hardship caused to many of our Nebraska meat processors by the Wholesome Meat Act of 1967. I certainly approve of the general purpose of that Act, to require appropriate inspection of all meat and meat food products in commerce. But I hope that Congress will recognize the legitimate business needs of the industry as well as the need for meat and meat food products passing in commerce to be clean and wholesome.

The problem as presented to me by several small processors is one of meeting certain regulations with capital expenditures that in effect make it impossible to continue the business. In many cases, these businesses have been family operated and command the respect and support of the local people. Their meat and meat products have been good or they would not have continued in business.

These people do not oppose inspections for cleanliness, they simply want to be judged on the equipment they now own. I believe that the consuming public is best served by assisting businesses which have long had the respect and support of local people.

It is my understanding that the Department of Agriculture supports the passage of this bill.

In closing, I believe that the proposed amendment is worthy of support because it will solve the locker and freezer provisioning industry's basic meat inspection problem; it will provide farm people with the meat services they want and need: and, it will strengthen the consumer's protection under the Meat Inspection Act.

STATEMENT OF HON. E. Y. BERRY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF SOUTH DAKOTA

Mr. Chairman and Members of the Subcommittee: Congress in passing the Wholesome Meat Act of 1967, hastily included a section that will eventually, if not amended, force a large number of locker and freezer provisioners out of business. Section 23(a) of this act did away with the custom processing of meat by those establishments which were also involved in the sale of meat to the consumer at retail prices.

Besides the substantial number of 7,000 lockerroom owners who have or will soon suffer from this legislation, our small towns, farmers, and meat packers will be adversely affected unless this act is amended as proposed in H.R. 16485 and H.R. 17276.

These amendments will allow the custom slaughtering of meat to continue on the same premises used for the sale of inspected meat as long as they adhere to the strict controls established by the Secretary of Agriculture. This action will in no way weaken the provisions of the 1967 legislation or endanger the consumer by allowing unsanitary conditions to exist in the meat industry.

If anything the present law will be strengthened by these amendments. The Secretary of Agriculture will be given increased control over the sanitation requirements in the processing of game meat and in custom slaughtering. There is

little if any regulation of these two areas under the present law. These amendments will make the "on the farm" processing of meat which conceivably would not meet the sanitation standards set by the department no longer necessary.

H.R. 16485 and H.R. 17276 are merely technical amendments which will allow a large number of small businessmen to continue to operate.

These local establishments are essential to the well being of their rural communities. If they are forced out of business, a large number of undesirable results will occur. Sizable amounts of capital and many long years of industrious work will be lost. The rate of unemployment in these areas will be appreciably increased.

As you can see, without the aid of these amendments, the result will be a loss in services to the farmer and the citizens of the small communities in our nation who in the past and now have depended to a large extent on the local lockerroom and freezer plants.

By the implementation of these amendments to the Wholesome Meat Act of 1967, we will be taking positive steps to the solution of these problems as well as preserving a needed service to our rural areas.

I urge your favorable consideration of these amendments and their enactment into law by this session of Congress.

Thank you.

STATEMENT OF ROBERT W. CARLSON, MINNESOTA COMMISSIONER OF AGRICULTURE

As you are probably aware, the one-year extension granted by the USDA to Minnesota and 46 other states to equal federal meat inspection standards will expire next December 15, 1970. That is prior to the next regular session of the Minnesota Legislature. Without some action by the Congress, and a marked increase in state funds, it is apparent we cannot comply with the federal law, no matter how good or effective our meat inspection program might be. The criteria which we can satisfy—wholesome meat—appears to receive little consideration in federal evaluation of the acceptability of our program.

Let me quote from the October 20, 1969, letter from the USDA criticizing our Minnesota Meat Inspection Program:

"The recent sample survey of intrastate plants revealed that significant improvements must be made in plant construction, facilities and equipment . . .

"Funding: About one-third of the estimated $659,000 state's share for an 'equal to' program has been appropriated. Presently, only 25 of the estimated 125 people needed to carry out the program are incumbent."

Your assistance is necessary in saving a vital service industry in rural Minnesota. The industry now being threatened with extinction is made up of small locker-slaughter plants located in or near every small town in Minnesota.

I have given this matter my special attention and have exhausted other avenues of reasonable recourse. I am convinced that top priority must be given and maximum effort made to bring out of committee and pass the Curtis Amendment (Senate File 2983) to the Wholesome Meat Act of 1967.

Passage of the Curtis Amendment should provide state government and these small businesses with the necessary time needed to comply with the intent of the new federal meat law, without any compromising of safe and sanitary handling or the quality or wholesomeness of the public meat supply.

The Curtis Amendment also will correct a serious inequity in the Wholesome Meat Act of 1967, a provision that is discriminatory toward the small custom processor and his rural consumers. The present law prohibits custom slaughterers from selling inspected meats. This has no relationship to clean and wholesome meat, but is rather a regulation directed at eliminating the custom slaughterer. The Minnesota law enacted in 1969 properly allows these custom operators to retail meats that have passed federal or equivalent state inspection in the other plants of original processing.

And, I remind you, Minnesota's law also pioneers the real significant area of consumer protection by requiring inspection of retail meat establishments—specifically exempted under the federal law.

I believe retail meat inspection is a tremendously important phase of any comprehensive meat inspection program. The retailer is the last in marketing channels to handle the public meat supply. Age, condition, and labeling of meat products being sold at retail is definitely important, and our Minnesota program places emphasis on this phase beyond federal requirements.

Let there be no mistake on this important area of consumer protection: the quality, purity and wholesomeness of all meat commercially processed in Minnesota is the highest in history, and we believe it to be the finest in the nation.

Minnesota has been officially recognized by the U.S. Department of Agriculture as one of 49 states that has made "satisfactory progress" in implementing the Wholesome Meat Act of 1967. We have made tremendous improvement.

It seems to me, however, that it is neither practical nor logical to expect our small intrastate meat processing industry and the Minnesota Department of Agriculture to, by December, 1970, become "equal to" a program which is geared to the larger packing house industry and which has had more than 60 years to develop and improve its status.

There are still many uncertainties and many intangibles. Attempts to obtain specific criteria from USDA officials regarding the facilities, equipment and manpower required have borne only frustration, again equally for the small processor and for this state agency. We are told that there is no guarantee on the longevity of any level we have already reached through significant investment and effort by both the industry and state government. We are required to have regulations and standards the same as federal. Yet, it is ironic that at this late date, more than two years after passage of the federal Wholesome Meat Act, that we are still waiting for the final, formal federal regulations. We seem to be playing an unreasonable game patterned after the April Fool purse on a string trick.

Minnesota has committed $405,968 as its share of the cooperative state-federal meat inspection program in the current biennium, to safeguard the quality of meat produced in nearly 200 Minnesota commercial slaughter plants, and 200 custom slaughter plants processing less than three per cent of the total volume of commercial meat produced in Minnesota. In our state program we have added a veterinarian, ten meat inspectors and two clerical personnel since the new law and funds became effective last July 1, 1969. We now have 20 meat inspectors working full time on the program plus many part-time veterinarians.

According to USDA, we need at least 100 more personnel in our state meat inspection program. That alone, would require a $1,000,000 increase in the cost of our program, figuring an average of $10,000 for salary and travel expense for each inspector, annually.

We have discussed with USDA representatives a proposed $3 million meat inspection program for the next biennium. Yet, from criticisms by USDA representatives it appears that without the Curtis Amendment a substantially higher budget may be necessary to satisfy the USDA that the Minnesota meat inspection program is "equal to" the federal requirements. Only a program acceptable to USDA criteria would qualify Minnesota for matching funds.

Certainly, certain definite commitments from USDA, regarding program requirements and providing for joint planning, are necessary before I can, in good conscience, recommend a significantly increased budget to provide inspection for less than three per cent of our total commercial meat production in Minnesota.

Additionally, I am deeply concerned about the threat to our small meat processors and packers and to the rural communities they serve, if provision is not made to actually apply the "rule of reason" in the federal law to the facilities—not the meat processed. Many of our small Minnesota plants process only a few animals each week. It is unreasonable to require them to conform to facilities standards the USDA has prescribed for high volume assembly-line processing.

I repeat, we, in Minnesota, will never compromise the quality and wholesomeness of the public meat supply. But a judicious compromise on facilities standards is needed to allow this small but vital service industry represented by our small packers and custom slaughterers to survive.

I am not, at this point, ready to abdicate the meat inspection program to the U.S. Department of Agriculture, whose spokesmen have frankly stated that when federal government takes over the program it probably will close those plants not in full compliance with all required standards.

This definitely would be in direct conflict with Governor LeVander's priority program for a "Rural Renaissance" to reverse the brain, population and economic drain that has been siphoning vital resources from our countryside.

Everybody loses when state and federal enforcement agencies go to war with each other, as was recently done in Iowa on this very issue. We have hoped for a true partnership in this endeavor with the federal government. Pure, wholesome meat will continue to rank most important in our Minnesota meat inspection program. To that end, we know that good housekeeping is more important than uniformity of facilities.

Everybody loses, including the consumer, if the inspection program includes unnecessary requirements resulting in unreasonable expense.

For the reasons I have recited above, and others, I am firmly convinced that we cannot satisfy either the physical facilities or financial requirements (that no one at this point in time has been able to clarify) within the time allocated, unless the Wholesome Meat Act is improved by the Curtis Amendment or by similar legislation.

I earnestly solicit your fullest consideration and hope for your maximum persuasion in behalf of passage of the Curtis Amendment.

STATE OF NEBRASKA,
EXECUTIVE OFFICE,
Lincoln, June 10, 1970.

Hon. W. R. POAGE,
Chairman, House Committee on Agriculture, U.S. House of Representatives, House Office Building, Washington, D.C.

DEAR CONGRESSMAN POAGE: I note that the Senate has now passed S. 3592, commonly known as the Curtis Bill. You will recall the House Companion Bill, H.R. 16485, introduced by Congressman Graham Purcell, did also amend and clarify the custom slaughter exemption language now contained in the Wholesome Meat Act. It is my understanding that the Curtis Bill as passed by the Senate differs from the Purcell Bill only with respect to one minor amendment made to it.

The State of Nebraska has a keen interest in this legislation and respectfully urges the House to act without delay now that the Senate has favorably voted out S. 3592.

The Nebraska Department of Agriculture and the smaller combination slaughterhouses in the state are caught in a crucial time squeeze with respect to the equal-to requirements of the federal statute. The same situation exists in other states as well. It will be necessary for the state to apply for equal-to status around September 15. This means that plant operators must make their decision 60 to 90 days prior to that date with respect to the type of operation which they will conduct. Such a decision, of course, hinges on whether or not the Federal Act is amended.

The custom slaughterer exemption provisions as they appear in the Wholesome Meat Act have been a serious deterrent to the implementation of the new Meat Inspection Program in Nebraska. The present language contained in paragraph (a) of Section 23 of the Act is ambiguous and is unenforceable as literally interpreted by the Office of General Counsel of the U.S. Department of Agriculture. This situation has put the states in an absolutely untenable position in their conscientious attempts to meet the "equal-to" requirements of the Federal Act. It is imperative, therefore, that the present language be clarified to clearly state the conditions under which custom slaughtering and preparation can be carried on with adequate safeguards. The language in S. 3592 and H.R. 16485 accomplish this much needed revision.

I respectfully urge you in your position of Chairman of the House Committee on Agriculture to move without delay on the pending legislation.

Sincerely,

NORBERT T. TIEMANN,
Governor, State of Nebraska.

AMERICAN NATIONAL CATTLEMEN'S ASSOCIATION,
Denver, Colo., June 12, 1970.

Hon. GRAHAM PURCELL,
House Office Building,
Washington, D.C.

DEAR MR. PURCELL: The American National Cattlemen's Association endorses your bill HR 16485.

We feel it quite important that an exemption be granted which will permit freezer and locker plants to carry on custom slaughtering of livestock. Many ranchers and feeders would find it impossible to have their own cattle slaughtered and prepared for home freezers should the full intent of the Wholesome Meat Act be carried forward and should HR 16485 not be adopted.

We believe that HR 16485 is necessary and respectfully request that this letter be included as a part of the hearing record on the measure.

Cordially,

C. W. MCMILLAN.

STATEMENT OF HON. ALBERT H. QUIE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MINNESOTA

Mr. Chairman: I am happy to submit a statement on behalf of my bill, H.R. 16908, which would amend section 23(a) of the Federal Meat Inspection Act (34 Stat. 1269, as amended by the Wholesome Meat Act, 81 Stat. 584) to allow small local locker-slaughter operators both to sell inspected meats on a retail basis and to offer custom slaughtering services.

Previous to the passage of the Wholesome Meat Act, small locker plants in Minnesota were free from restrictions regarding their sale of inspected meat to the public on the same premises on which they provided custom slaughtering services to citizens in the area they served. However, in response to the need to extend and improve inspection of meat in intra-state commerce, the Congress passed the Wholesome Meat Act of 1967 which included a provision, section 23(a), which has been interpreted as asking meat sales and custom slaughtering on the same premises illegal.

This provision was found to work unnecessary hardship both in small locker plant operators and on the communities they serve. Neither the income from custom slaughtering nor that from the sale of meat is sufficient to make a feasible business enterprise; so, these two operations must be joined in small locker plants to enable these facilities to provide both services to their localities. Forcing such locker-slaughter facilities to choose between sales and custom slaughtering would be forcing them to close down.

In my district, the First District of Minnesota, many of such plants would be affected. In an advertisement in a First District newspaper, the Brownsdale Meat Service of Brownsdale, Minnesota, stated, "The very existence of our business . . . is threatened . . . our firm and thousands like us throughout the nation are being forced to discontinue one or the other of our traditional services. Since we can't possibly exist on only part of our business, we will be forced to close our doors." In a letter dated February 9, 1970, Mrs. Alice Klingsheim of Brownsdale wrote me that if the Brownsdale Meat Service were closed, it would cause "at least six families in our small town to be without employment."

Closing such facilities, moreover, would cause inconvenience in small communities and rural areas where farmers rely on these small locker plants for custom slaughtering for the farmers' home use and where townspeople and other households rely on these facilities for their supply of inspected meat for home consumption. As the Reverend and Mrs. Irving S. Tweeten wrote to me from Waltham, Minnesota, "It (the local locker plant) is performing a great service to farmers and residents of the small towns and is an asset to the community." (February 5, 1970).

I am glad to see that a bill identical to mine, H.R. 16485, has received the support of the Department of Agriculture, as reported in the April 15, 1970 letter of J. Phil Campbell, Under Secretary of the Department of Agriculture to the Chairman of the House Agriculture Committee. Campbell states that this bill would retain present provisions exempting certain custom slaughtering operations but would eliminate the requirement that the exempted slaughterers shall not engage in buying or selling any meat or meat food products capable of use as human food. Furthermore, he states that custom operations would have to be carried out in compliance with regulations to be prescribed by the Secretary, and requirements assuring that the establishment be maintained and operated in a sanitary manner and that the articles handled on a custom basis are separated at all times from meat products for sale would be included in these regulations.

In a report prepared on this subject by the National Institute of Locker and Freezer Provisioners, it is explained that this legislation is desirable as a proposed change for the following reasons:

"(1) It is compatible with what we believe was the intent of Congress in passing the Wholesome Meat Act, namely: to subject to inspection, either state or Federal every pound of meat that is produced for commerce.

(2) It will not in any way weaken the consumer's protection. In fact, it will strengthen the consumer's protection in several respects (see below).

(3) It fully implements what we believe was the intent of Congress in providing for two basic types of exemption from inspection in the Wholesome Meat Act:

A. The farmer's meat for his own consumption (specified in section 23(2)).

B. Meat sold at retail (section 301(c)(2) provides for the exemption from inspection under this Act of operations of types traditionally and usually conducted at retail stores and restaurants.).

Although many locker and freezer provisioners have traditionally engaged in both of these exempt operations, the present wording of the law has the effect of prohibiting them from engaging in one or the other.

(4) It will help speed implementation of the meat inspection program by eliminating unnecessary inspection of custom slaughtered livestock for the owner's own consumption.

(5) It will permit locker and freezer provisioners to survive as a viable industry, providing needed services, jobs and tax revenues in rural communities."

The report also states that the consumer protection will not be weakened for the following reasons:

"(1) It (the amendment) will give the Secretary of Agriculture authority to control the sanitary conditions under which game is processed. No such control is now provided in exempt custom operations under the Wholesome Meat Act.

(2) It will give the Secretary authority to control the sanitary conditions under which exempt custom slaughtering of the farmer's animals for his own consumption are performed.

(3) It will give the Secretary authority to control the sanitary conditions under which exempt custom preparation of meat from the farmer's animals for his own consumption are performed.

(4) It will avoid the undesirable "do-it-yourself" situation that will arise if section 23(a) remains unchanged in which thousands of owners of livestock who are used to having locker plants provide custom services on meat for their own consumption will be deprived of these needed services. If many farmers are forced to go back to slaughtering livestock on the farm because of the unavailability of such custom services, the likelihood of farm slaughtered meat going into commerce is greatly increased."

For these reasons, then, I believe we should permit small locker-slaughter operations to engage both in custom slaughtering and in retail sales of inspected meat. These facilities are a necessary part of the areas they are presently serving, and they will not be able to remain open if the Wholesome Meat Act is not amended. Failure to act will cause hardship and inconvenience to many rural communities and farming regions, whereas my proposal promises continued service of these operations under requirements such as sanitary conditions established by the Secretary of Agriculture and does not weaken the consumer protection afforded by the Federal Meat Inspection Act and its amendment, the Wholesome Meat Act. I respectfully urge early and favorable action by the Subcommittee on this legislation.

STATEMENT OF HON. ODIN LANGEN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MINNESOTA

Mr. Chairman and Members of the Subcommittee. I thank the Subcommittee for the interest it has taken in the bill H.R. 16485 and for the opportunity to address my distinguished colleagues on this matter.

Mr. Chairman, the Wholesome Meat Act of 1967 is an important piece of legislation, designed to insure an adequate measure of protection for the American people as consumers of meat products. For the most part the Act meets with its responsibility and is deserving of our support.

However, in one case, the Wholesome Meat Act through an inadvertent oversight would create a serious problem relative to custom meat slaughtering operations. Because of the language of the law, the Department of Agriculture has ruled that local butchers and meat processors are to be prohibited from providing custom livestock slaughtering services in the same facility where retail meat business is also being carried on.

The problem would be particularly critical in the small towns and rural areas of America, for many small locker and meat processing plants in these areas cannot continue to operate economically without the benefit of engaging in both custom slaughtering and retail meat-cutting activities.

Access to a local processor is important to the many small farm families who depend on such a service for the slaughter of a single animal for their own consumption. Such a process saves the farmer both the cost of maintaining proper facilities on the farm for sanitary slaughter as well as the time which the slaughtering and processing would take. Needless to say, such an arrangement also saves the farmer considerable money in not having to buy meat at retail prices.

Mr. Chairman, the enforcement of this prohibition then would work a tremendous hardship on a considerable segment of our rural population, and this coming right at the time hen already the countryside of America is under economic assault. Farmers would be forced into paying substantially higher costs for the slaughtering of their stock for personal use or violating a most disagreeable law through engaging in black-marketing of uninspected meat products. And many thousands of small processors would be faced with the equally difficult situation of cutting uninspected meat behind closed doors or possibly being forced out of business because of a drastically reduced income. Furthermore, should these small shops close their doors, many consumers who are dependent on them as their only local source of retail meat products would be placed at a serious disadvantage.

All this sounds very ominous, but in fact does not have to be so. For the bill H.R. 16485 would make the necessary changes with proper safeguards so that farmers and local processors could enjoy the benefit of custom slaughtering operations, while at the same time insuring the wholesomeness of meat products processed and sold at retail.

Essentially, then, the Wholesome Meat Act would be amended in the following manner:

First, the Secretary of Agriculture would promulgate regulations assuring that the custom-slaughtering operations and all the products thereof would be handled completely separately from meat sold at retail.

Second, the custom slaughtered meats would have to be clearly marked as "not for sale," so as to not be mixed in with inspected meats for retail consumption, And,

Third, the establishment providing such combined services would be required to perform custom slaughtering operations "in a sanitary manner."

Let me emphasize, Mr. Chairman, that this bill H.R. 16485 would insure a wholesome retail meat supply while providing an important personal service to the residents of rural and small town America. The Members here are already aware of the fact that the Department of Agriculture in a letter dated April 15, 1970, has given its support to the passage of the bill.

I can only add to this by assuring the Subcommittee that you will be doing a great service to the residents of my own Seventh District of Minnesota, who know firsthand the importance of continuing this needed service.

Mr. Chairman and distinguished colleagues, thank you again for your concern and for the privilege of sharing my thoughts with you relative to this bill.

STATEMENT OF DON F. MAGDANZ, EXECUTIVE SECRETARY-TREASURER, NATIONAL LIVESTOCK FEEDERS ASSOCIATION [1]

Mr. Chairman and members of the Subcommittee on Livestock and Feed Grains of the House Commitee on Agriculture:

On behalf of the National Livestock Feeders Association I appreciate the privilege of presenting the views and comments of this association relative to H.R. 16485 by the Chairman and others which bill would make very necessary amendments to the Wholesome Meat Act of 1967. In so doing, we also register the support of the National Livestock Feeders Association for S. 3592, as amended, which bill has now passed the Senate.

The change made in S. 3592 amounts to a language adjustment which in no way alters the provisions and intent of the legislation. We would support the same adjustment in H.R. 16485 if the Committee feels it is necessary and appropriate.

Whenever a comprehensive piece of legislation is enacted, such as the Wholesome Meat Act of 1967, and regardless of attention given to details by the Con-

[1] The National Livestock Feeders Association is a voluntary non-profit trade organization consisting of persons engaged in the business of feeding livestock, principally cattle feeders, but also including swine producers. Though membership extends into many more States, it is most prominent in the North Central and Plains area of the country, a region that feeds about 65 percent of the cattle for the slaughter market and produces about 75 percent of the hogs.

gress, it is not unusual to find specific areas covered by the legislation which are in need of clarification or change. Considering the complexity of the meat industry in this case, it is no reflection on anyone involved when a situation arises to which some requirements imposed may not lend themselves to the best interest of all concerned. This is the case as Paragraph (a) of Section 23 of the Act is applied to many custom slaughtering operations often conducted by locker plants where meat may also be handled for sale at retail.

The Act recognized these custom-slaughtering operations and exempted them from provisions of Title I of the Act, but only if they did not engage in the business of buying and selling meat animal carcasses, or parts thereof, or any meat or meat products capable of use as human food. The exemption was proper and necessary, whereas the proviso works an unreasonable hardship on many of these custom-slaughter establishments as well as communities they may serve by prohibiting any retail operations whatsoever.

H.R. 16485 and S. 3592 are in the nature of a technical amendment. They are not designed to circumvent the original purposes of the Wholesome Meat Act nor to dilute its requirements.

The problem with with we are confronted is how best to correct the situation previously explained to relieve the hardships imposed on custom-slaughtering operations, but without fracturing the full intent of the Act, and without endangering the safety and wholesomeness of the meat supply available to consumers.

The idea of merely exempting the meat retail operations of these custom establishments, though originally considered up to a dollar volume limit, obviously was not the answer since this would relax the protection provided consumers by creating loopholes in the Act.

As the producers and suppliers of meat animals from which consumers eventually obtain a wide variety of meat and meat products, the people I represent have always embraced the necessity of adequate inspection of meat animals and meat products for the protection of consumers. In fact, we were a party to the advancement of legislation originally in 1966, I believe it was, when evidence became unmistakably clear that meat inspection authority had to be tightened in order to stop violations and avoid certain practices being carried on by unscrupulous persons.

In so doing, we looked with disfavor on exemptions where meat products were channeled into commerce because such exemptions immediately created loopholes not unlike those we found it was necessary to close. The custom-slaughter exemption was supported, of course, because the Act places specific limitations on the use of meat and meat products resulting from custom-slaughter. Thus, the products are not being channeled into commerce as we normally refer to commerce, even though the Act allows transportation in commerce of the resulting meat and meat products exclusively for the use of the owner in his own household, etc.

We believe the approach to the problem as contained in H.R. 16485 and S. 3592 is not only reasonable, but does offer a satisfactory and safe solution. It preserves the custom-slaughter privilege in tact. It allows custom-slaughtering establishments to handle other meat for sale at retail, provided the meat and meat products originate in slaughtering establishments which meet all inspection requirements. It also contained such safeguards and restrictions against comingling the meat products from the two sources—custom-slaughtered animals and that procurred for retail—as to protect consumers and avoid committing violence in any way to the full intent of the Wholesome Meat Act. Moreover, it requires that the custom operation be conducted in a sanitary manner.

Mr. Chairman, we fully support the provisions of H.R. 16485 and S. 3592 and recommend favorable action on this proposed legislation. Furthermore, we compliment the sponsors of the bills as well as all those in the Congress and the Department of Agriculture who have collaborated in the language of the amendment to be sure loopholes are not being created.

In closing, we also express the urgency of enacting the amendment as quickly as possible so the requirements established by the Wholesome Meat Act of 1967 can be fully implemented and without disruption of those businesses in many rural areas to which this legislation primarily applies.

STATEMENT OF JOHN W. SCOTT, MASTER, NATIONAL GRANGE

I am John W. Scott, Master of the National Grange, with offices at 1616 H Street, N.W., Washington, D.C.

The Grange, a Farm and Rural-Urban Community and Family Organization, is pleased to come before this subcommittee today to carry on a tradition which began many years ago when it led the fight for the Food and Drug Act, whereby the consumers of food having its origin on the farm are protected from adulteration, contamination, etc., thereby making the food purchased by consumers more palatable, more acceptable and consequently more valuable.

However, on the last point, we have encountered considerable difficulty in assuring the producer of the product his fair share of the consumer's dollar for the contribution he has made toward the attainment of our common goal of wholesome food for the consumer.

Through the years, we have been consistent in our support of such legislation as is necessary to protect the welfare of the consuming public, and at the same time, protect the integrity of the farmer's market.

The Grange was a strong supporter of the Meat Inspection Act and the amendments thereto that were passed during the 90th Congress. We noted in our statement of July 19, 1967 the following:

"When the inspection of animals has been discussed in the past farmers have been concerned with the right of the individual farmer to kill and butcher animals for the purpose of himself, his own immediate family or the people hired to work on his farm.

"In some instances, state laws have been proposed which would prohibit custom butchery establishments from doing this work for farmers without getting inspection of each of the animals being butchered and returned directly to the farmer for his own use and not for commercial purposes.

"We note with approval that the proper exemptions are in Section 23 of H.R. 6168 which would preserve these long-standing rights. The proper identification and isolation from meats designed for human consumption from those not intended for human food is a welcomed and necessary part of this legislation."

This remains our position today and we therefore are in support of H.R. 16485 and identical bills which would amend the Federal Meat Inspection Act as it pertains to the provisions relating to custom slaughtering operations.

We are of the opinion that the provisions relating to custom slaughtering operations are in accord with Grange policy adopted at the 1967 Annual Session of the National Grange at Syracuse, New York:

"MEAT INSPECTION"

"The National Grange urges the Congress to enact legislation to broaden the present meat inspection program by establishing a Federal-State Cooperative meat inspection arrangement under which the Federal Government would provide both personnel and financial assistance to state agencies in order to improve the quality of state meat inspection services, and to amend and modernize existing provisions of Federal law relating to meat inspection to the extent necessary to achieve the purposes of the new program and to provide adequate protection to the health and welfare of consumers."

In our judgment regulations governing these operations should be reasonable so as not to limit the processing of meat for home use. We further support the provisions of H.R. 16485 as introduced by Rep. Purcell and others which would permit custom slaughtering of livestock to be done for farmers and ranchers in an establishment where meat is also cut and sold at retail. We are not advocating the loosening of the protection being provided to consumers under the present law, but we do feel that the authority given to the Secretary of Agriculture to establish exemptions for custom slaughtering operations with proper safeguards is sound and provides ample protection to assure that meat products from such animals so slaughtered will not end up in normal market channels.

The National Grange is aware that there are many problems involved in developing a meat inspection program at both the state and federal levels. However, State Granges have worked at the state level in order to develop a meat inspection program that would provide and assure the consumer a wholesome supply of meat.

Thank you, Mr. Chairman, for allowing the Grange the opportunity to present our views on this important amendment to the Federal Meat Inspection Act.

Mr. PURCELL. At this time, the public hearing on this matter will be closed, and—excuse me.

Mr. KLEPPE. Mr. Chairman, what about the reports? Do you want that in the record?

Mr. PURCELL. This is also included.

Well, if the report from the Department was not submitted by Mr. Lennartson, why, the report from the Department will be included in the record.

At this time the public hearings in this matter will be closed, and I will ask the subcommittee to go into executive session for whatever period of time is necessary.

(Whereupon, at 11:25 a.m., the subcommittee adjourned.)

CIS - 1970 - S161-5

CUSTOM SLAUGHTERING OPERATIONS AND STATE MEAT INSPECTION

THESE HEARINGS AVAILABLE ON CIS Microfice = 1970 # S161-5

HEARINGS

BEFORE THE

SUBCOMMITTEE ON AGRICULTURAL RESEARCH AND GENERAL LEGISLATION

OF THE

COMMITTEE ON AGRICULTURE AND FORESTRY

UNITED STATES SENATE

NINETY-FIRST CONGRESS

SECOND SESSION

ON

S. 3512, S. 3592, and S. 3603

BILLS TO EXEMPT CUSTOM SLAUGHTERING OPERATIONS FROM THE MEAT INSPECTION ACT AND AUTHORIZE INTERSTATE SHIPMENT OF MEAT AND MEAT PRODUCTS INSPECTED BY APPROVED STATE MEAT INSPECTION SERVICES

APRIL 16 AND 27, 1970

Printed for the use of the Committee on Agriculture and Forestry

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LEGISLATIVE HISTORY
Public Law 91-342
S. 3592

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June 4, 1970	Senate committee reported with amendment S. 3592. S. Report 91-915. Print of bill and report.
June 5, 1970	Senate passed S. 3592 as reported.
June 8, 1970	S. 3592 was referred to House Agriculture Committee. Print of bill as referred.
Mar. 16, 1970	Rep. Purcell and others introduced H.R. 16485 which was referred to the House Agriculture Committee. Print of bill as introduced.
June 16, 1970	Subcommittee approved H.R. 16485 for full committee consideration.
June 18, 1970	House committee reported S. 3592 without amendment. House Report 91-1221. Print of bill and report.
July 6, 1970	House passed S. 3592 under suspension of the Rules.
July 18, 1970	Approved: Public Law 91-342.

91ST CONGRESS
2D SESSION

S. 3592

IN THE SENATE OF THE UNITED STATES

MARCH 13, 1970

Mr. CURTIS (for himself, Mr. HRUSKA, Mr. BELLMON, Mr. BURDICK, Mr. DOLE, Mr. JORDAN of North Carolina, Mr. PROXMIRE, and Mr. YOUNG of North Dakota) introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry

A BILL

To amend the Federal Meat Inspection Act, as amended, to clarify the provisions relating to custom slaughtering operations.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Meat Inspection Act (34 Stat. 1260, as amended by the Wholesome Meat Act, 81 Stat. 584), is hereby amended by deleting the proviso from paragraph (a) of section 23 of the Act, and the colon preceding said proviso, and substituting therefor the following: ": nor to the custom preparation by any person, firm, or corporation of carcasses, parts thereof, meat or meat food products.

derived from the slaughter by any person of cattle, sheep, swine, or goats of his own raising, or from game animals, delivered by the owner thereof for such custom preparation, and transportation in commerce of such custom prepared articles, exclusively for use in the household of such owner, by him and members of his household and his nonpaying guests and employees: *Provided,* That in cases where such person, firm, or corporation engages in such custom operations at an establishment at which inspection under this title is maintained, the Secretary may exempt from such inspection at such establishment any animals slaughtered or any meat or meat food products otherwise prepared on such custom basis if the establishment complies with regulations which the Secretary is hereby authorized to promulgate to assure that any carcasses, parts thereof, meat or meat food products wherever handled on a custom basis, or any containers or packages containing such articles, are separated at all times from carcasses, parts thereof, meat or meat food products prepared for sale, and that all such articles prepared on a custom basis, or any containers or packages containing such articles, are plainly marked 'Not for Sale' immediately after being prepared and kept so identified until delivered to the owner and that the establishment conducting the custom operation is maintained and operated in a sanitary manner."

91ST CONGRESS
2D SESSION

S. 3592

A BILL

To amend the Federal Meat Inspection Act, as amended, to clarify the provisions relating to custom slaughtering operations.

By Mr. CURTIS, Mr. HRUSKA, Mr. BELLMON, Mr. BURDICK, Mr. DOLE, Mr. JORDAN of North Carolina, Mr. PROXMIRE, and Mr. YOUNG of North Dakota.

MARCH 13, 1970

Read twice and referred to the Committee on Agriculture and Forestry

governing the fund to undertake jointly the performance of a duty or the exercise of a power, but not otherwise, each of such fiduciaries shall have the duty to prevent any other such co-fiduciary from committing a breach of a responsibility, obligation or duty of a fiduciary or to compel such other co-fiduciary to redress such a breach; Provided that no fiduciary shall be liable for any consequence of any act or failure to act of a co-fiduciary who is undertaking or is required to undertake jointly any duty or power if he shall object in writing to the specific action and promptly file a copy of his objection with the Secretary.

(f) Each employee benefit plan shall contain specific provisions for the disposition of its fund assets upon termination. In the event of termination, whether under the express terms of the plan or otherwise, such fund, or any part thereof, shall not be expended, transferred or otherwise disposed of, except for the exclusive benefit of the plan participants and their beneficiaries. Notwithstanding the foregoing, after the satisfaction of all liabilities with respect to the participants and their beneficiaries under an employee pension benefit plan in accordance with the Internal Revenue Code and regulations promulgated thereunder, any remaining fund assets may be returned to any person who has a legal or equitable interest in such assets by reason of such person or his predecessor having made financial contribution thereto.

(g) No fiduciary may be relieved from any responsibility, obligation or duty under this Act by agreement or otherwise. Nothing herein shall preclude any agreement allocating specific duties or responsibilities among fiduciaries, or bar any agreement of insurance coverage or indemnification affecting fiduciaries, but no such agreement shall restrict the obligations of any fiduciary to a plan or to any participant or beneficiary.

(h) No action, suit, or proceeding based on a violation of this section shall be maintained unless it be commenced within three years after the filing with the Secretary of a report, statement or schedule with respect to any matter disclosed by such report, statement or schedule, or, with respect to any matter not so disclosed, within three years after the complainant otherwise has notice of the facts constituting such violation, whichever is later, provided, however, that no such action, suit or proceeding shall be commenced more than six years after the violation occurred. In the case of a willfully false or fraudulent statement or representation of a material fact or the willful concealment of, or willful failure to disclose, a material fact required by this Act to be disclosed, a proceeding in court may be brought at any time within ten years after such violation occurs.

(i) A fiduciary shall not be liable for a violation of this Act committed before he became a fiduciary or after he ceased to be a fiduciary.

PROHIBITION AGAINST CERTAIN PERSONS HOLDING OFFICE

Sec. 15. (a) No person who has been convicted of, or has been imprisoned as a result of his conviction of: robbery, bribery, extortion, embezzlement, grand larceny, burglary, arson, violation of narcotics laws, murder, rape, kidnapping, perjury, assault with intent to kill, assault which inflicts grievous bodily injury, any crime described in section 9(a)(1), of the Investment Company Act of 1940, 15 U.S.C. 80a—9(a)(1), or a violation of any provision of this Act, or a violation of section 302 of the Labor Management Relations Act of 1947, 61 Stat. 157, as amended, 29 U.S.C. 186, or a violation of Chapter 63 of Title 18, United States Code, or a violation of section 874, 1027, 1503, 1505, 1506, 1510, 1951, or 1954 of Title 18, United States Code, or a violation of the Labor-Management Reporting and Disclosure Act of 1959, 73 Stat. 519, as amended, 29 U.S.C. 401, or conspiracy to commit any such crimes or attempt to commit any such crimes, or a crime in which any of the foregoing crimes is an element, shall serve—

1. as an administrator, officer, trustee, custodian, counsel, agent, employee (other than as an employee performing exclusively clerical or janitorial duties) or other fiduciary position of any employee welfare or pension benefit plan or

2. as a consultant to any employee benefit plan, during or for five years after such conviction or after the end of such imprisonment, unless prior to the end of such five year period, in the case of a person so convicted or imprisoned, (A) his citizenship rights, having been revoked as a result of such conviction, have been fully restored, or (B) the Board of Parole of the United States Department of Justice determines that such person's service in any capacity referred to in clause (1) or (2) would not be contrary to the purposes of this Act. Prior to making any such determination the Board shall hold an administrative hearing and shall give notice of such proceeding by certified mail to the State, County, and Federal prosecuting officials in the jurisdiction or jurisdictions in which such person was convicted. The Board's determination in any such proceeding shall be final. No person shall knowingly permit any other person to serve in any capacity referred to in clause (1) or (2) in violation of this subsection.

(b) Any person who willfully violates this section shall be fined not more than $10,000 or imprisoned for not more than one year, or both.

(c) For the purposes of this section, any person shall be deemed to have been "convicted" and under the disability of "conviction" from the date of the judgment of the trial court or the date of the final sustaining of such judgment on appeal, whichever is the later event, regardless of whether such conviction occurred before or after the date of enactment of this section.

(d) For the purposes of this section, the term "consultant" means any person who, for compensation, advises or represents an employee benefit plan or who provides other assistance to such plan, concerning the establishment or operation of such plan.

ADVISORY COUNCIL

SEC. [14.] *16.* (a) There is hereby established an Advisory Council on Employee Welfare and Pension Benefit Plans (hereinafter referred to as the "Council") which shall consist of thirteen members to be appointed in the following manner: One from the insurance field, one from the corporate trust field, two from management, four from labor, and two from other interested groups, all appointed by the Secretary from among persons recommended by organizations in the respective groups; and three representatives of the general public appointed by the Secretary.

(b) It shall be the duty of the Council to advise the Secretary with respect to the carrying out of his functions under this Act, and to submit to the Secretary recommendations with respect thereto. The Council shall meet at least twice each year and at such other times as the Secretary requests. At the beginning of each regular session of the Congress, the Secretary shall transmit to the Senate and House of Representatives each recommendation which he has received from the Council during the preceding calendar year and a report covering his activities under the Act for [such] *the* preceding [calendar] *fiscal* year, including full information as to the number of plans and their size, the results of any studies he may have made of such plans and the Act's operation and such other information and data as he may deem desirable in connection with employee welfare and pension benefit plans.

(c) The Secretary shall furnish to the Council an executive secretary and such secretarial, clerical, and other services as are deemed necessary to the conduct of its business. The Secretary may call upon other agencies of the Government for statistical data, reports, and other information which will assist the Council in the performance of its duties.

(d) Appointed members of the Council shall be paid compensation at the [rate of $50 per diem] *maximum per diem rate authorized in the current Department of Labor Appropriation Act for consultants and experts* when *such members are* engaged in the work of the Council, including travel time, and shall be allowed travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. [73b–2] *5703*) for persons in the Government service employed intermittently and receiving compensation on a per diem, when actually employed, basis.

[(e)(1) Any member of the Council is hereby exempted, with respect to such appointment, from the operation of sections 281, 283, and 1914 of title 18 of the United States Code, and section 190 of the Revised Statutes (5 U.S.C. 99), except as otherwise specified in paragraph (2) of this subsection.

[(2) The exemption granted by paragraph (1) of this subsection shall not extend—

[(A) to the receipt or payment of salary in connection with the appointee's Government service from any source other than the private employer of the appointee at the time of his appointment, or

[(B) during the period of such appointment, to the prosecution or participation in the prosecution, by any person so appointed, of any claim against the Government involving any matter with which such person, during such period, is or was directly connected by reason of such appointment.]

ADMINISTRATION

SEC. [15.] *17.* (a) The provisions of the Administrative Procedure Act, *5 U.S.C. sec. 551 et seq.*, shall be applicable to this Act. *The Secretary, or his delegate, in consultation with the Secretary of the Treasury or his delegate, shall prescribe all necessary rules and regulations for the administration and enforcement of this Act, except that all rules and regulations issued with respect to Section 14 shall be prescribed by the Secretary of Labor or his delegate with the concurrence of the Secretary of Treasury or his delegate.*

(b) No employee of the Department of Labor shall administer or enforce this Act with respect to any employee organization of which he is a member or employer organization in which he has an interest.

[(c) No more than 260 employees shall be employed by the Department of Labor to administer or enforce this Act for the first two years after the enactment of the Welfare and Pension Plans Disclosure Act Amendments of 1962.

[(d) No more than two million two hundred thousand dollars per year is authorized to be appropriated for the administration and enforcement of this Act for the first two years after the enactment of the Welfare and Pension Plans Disclosure Act Amendments of 1962.]

EFFECT OF OTHER LAWS

SEC. [16.] *18.* (a) In the case of an employee welfare or pension benefit plan providing benefits to employees employed in two or more States, no person shall be required by reason of any law of any such State to file with any State agency (other than an agency of the State in which such plan has its principal office) any information included within a description of the plan or an annual report published and filed pursuant to the provisions of this Act if copies of such description of the plan and of such annual report are filed with the

State agency, and if copies of such portion of the description of the plan and annual report, as may be required by the State agency, are distributed to participants and beneficiaries in accordance with the requirements of such State law with respect to scope of distribution. Nothing contained in this subsection shall be construed to prevent any State from obtaining such additional information relating to any such plan as it may desire, or from otherwise regulating such plan.

[(b) The provisions of this Act, except subsection (a) of this section and section 13, and any action taken hereunder, shall not be held to exempt or relieve any person from any liability, duty, penalty, or punishment provided by any present or future law of the United States or of any State effecting the operation or administration of employee welfare or pension benefit plans, or in any manner to authorize the operation or administration of any such plan contrary to any such law.] *It is hereby declared to be the express intent of Congress that except for actions authorized by section 9(e)(1)(B) of this Act, the provisions of this Act shall supersede any and all laws of the States and of political subdivisions thereof insofar as they may now or hereafter related to the fiduciary, reporting and disclosure responsibilities of persons acting on behalf of employee benefit plans provided that nothing herein shall be construed to exempt or relieve any person from any law of any State which regulates insurance, banking or securities or to prohibit a State from requiring that there be filed with a State agency copies of reports required by this Act to be filed with the Secretary. Nothing herein shall be construed to alter, amend, modify, invalidate, impair or supersede any law of the United States (other than the Welfare and Pension Plans Disclosure Act of 1958 as amended (92 Stat. 994) or any rule or regulation issued under any such law.*

SEPARABILITY OF PROVISIONS

SEC. [17.] *19.* If any provision of this Act or the application of such provision to any person or circumstances is held invalid, the remainder of this Act and the application of such provision to other persons or circumstances shall not be affected.

EFFECTIVE DATE

SEC. [18.] *20.* [The provisions of this Act shall become effective January 1, 1959.] *Sec. 20(a) The provisions of paragraph (b)(3), (4) and (5) of section 7 relating to the aggregating of items reported shall become effective two years after enactment hereof.*

(b) The amendments made by this Act to the reporting requirements of the Welfare and Pension Plan Disclosure Act shall become effective upon the promulgation of revised report forms by the Secretary.

(c) All other provisions of this Act shall become effective thirty days after enactment hereof.

(d) In order to provide for an orderly disposition of any investment, the retention of which would be deemed to be prohibited by this Act, and in order to protect the interest of the fund and its participants and its beneficiaries, the fiduciary may in his discretion effect the disposition of such investment within three years after the date of enactment of this Act or within such additional time as the Secretary may by rule or regulation allow, and such action shall be deemed to be in compliance with this Act.

S. 3592—INTRODUCTION OF A BILL TO AMEND THE FEDERAL MEAT INSPECTION ACT TO CLARIFY THE PROVISION RELATING TO CUSTOM SLAUGHTERING OPERATIONS

Mr. CURTIS. Mr. President, I am pleased today to present to the Senate a long-awaited, revised bill to amend the Wholesome Meat Act of 1967.

I am introducing this bill as a replacement for S. 2983, a much broader bill which I introduced last year and which is currently pending in the Agriculture Committee.

Some of the problems which last year's measure sought to correct were solved without legislative action. For example, Secretary of Agriculture Clifford Hardin, exercising his authority under the law, granted a 1-year extension to 45 of the 50 States in order to give them time to get in compliance with the Federal standards.

This extension was necessary, Mr. President, simply because it took longer than anyone had anticipated to draft and promulgate the administrative regulations for implementing the new meat inspection law. It was necessary because the law intended that States be given full opportunity to adopt equally tough State standards and crank up their inspection machinery to enforce those standards as an alternative to Federal inspection of intrastate meat processing plants, or those not previously subject to Federal inspection.

The bill which I am offering today actually is a technical amendment designed to clarify the provisions of the 1967 act with respect to custom slaughtering operations.

This bill is not designed to permit anything that was not intended by the principal sponsors and supporters of the present law. I want to make that clear.

The language has been worked out and reworked painstakingly over a period of several months to make certain that it does not create loopholes or do violence in any way to the intent of the Wholesome Meat Act.

I am indebted to a group of Senate and House Members who had a major part in writing the 1967 act for helping to draft and check the language of this bill to make certain that it will do what is intended without relaxing or loosening the protection being provided to consumers under the present law.

In short, Mr. President, this bill would permit custom slaughtering of livestock to be done for farmers and ranchers in the same establishment where meat is cut and sold at retail. It would prescribe strict requirements which would have to be met in order for these two types of activities to be conducted in the same establishment.

First, the Secretary of Agriculture would promulgate regulations assuring that the custom-slaughtering operations and all of the products thereof "are separated at all times" from the meat which is handled for sale at retail.

Second, the containers or packages containing custom-slaughtered meat would have to be plainly labeled "Not for Sale" immediately after being prepared, and kept so identified until delivered to the owner.

Third, the establishment conducting custom operations would have to be "maintained and operated in a sanitary manner" as prescribed by the Secretary of Agriculture.

Finally, all meat processed and sold at retail in such an establishment must come from a slaughter plant which is inspected under the regular standards prescribed in the Wholesome Meat Act as it exists today.

Those are the principal provisions, Mr. President. They provide important and essential safeguards for consumers. At the same time, they would permit a type of activity to continue in the rural areas of our Nation that is essential to the economic life of those areas.

Many small locker and meat processing plants in rural areas cannot continue to operate economically without conducting both custom-slaughtering and retail meat-cutting activities. The Department of Agriculture has ruled that the law as presently written does not permit this. The measure being introduced today will permit such operations and clearly spells out the necessary requirements.

The 1967 law permits custom-processing of game animals in the same establishment where meat is cut and sold commercially. It does not spell out conditions for such processing. The same permission should be extended to farmers and ranchers who want to have their livestock slaughtered and processed for their own use, and it is important to prescribe conditions for such processing for game as well as domestic animals.

The PRESIDING OFFICER (Mr. McGEE). The bill will be received and appropriately referred.

The bill (S. 3592) to amend the Federal Meat Inspection Act, as amended, to clarify the provision relating to custom slaughtering operations, introduced by Mr. CURTIS (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

ADDITIONAL COSPONSORS OF BILLS

S. 3388

Mr. MURPHY. Mr. President, on behalf of the Senator from Pennsylvania (Mr. SCOTT), I ask unanimous consent that, at the next printing, the name of the Senator from Hawaii (Mr. FONG) be added as a cosponsor of S. 3388, to establish an Environmental Quality Administration.

91ST CONGRESS
2D SESSION

H. R. 16485

IN THE HOUSE OF REPRESENTATIVES

MARCH 16, 1970

Mr. PURCELL (for himself, Mr. SMITH of Iowa, Mr. FOLEY, Mrs. MAY, Mr. KLEPPE, Mr. ANDREWS of North Dakota, Mr. NELSEN, Mr. DENNEY, Mr. LANGEN, and Mr. MARTIN) introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To amend the Federal Meat Inspection Act, as amended, to clarify the provisions relating to custom slaughtering operations.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Meat Inspection Act (34 Stat. 1260, as amended by the Wholesome Meat Act, 81 Stat. 584) is hereby amended by deleting the proviso from paragraph (a) of section 23 of the Act, and the colon preceding said proviso, and substituting therefor the following: "; nor to the custom preparation by any person, firm, or corporation of carcasses, parts thereof, meat or meat food products, de-

rived from the slaughter by any person of cattle, sheep, swine, or goats of his own raising, or from game animals, delivered by the owner thereof for such custom preparation, and transportation in commerce of such custom prepared articles, exclusively for use, in the household of such owner, by him and members of his household and his nonpaying guests and employees: *Provided*, That in cases where such person, firm or corporation engages in such custom operations at an establishment at which inspection under this title is maintained, the Secretary may exempt from such inspection at such establishment any animals slaughtered or any meat or meat food products otherwise prepared on such custom basis if the establishment complies with regulations which the Secretary is hereby authorized to promulgate to assure that any carcasses, parts thereof, meat or meat food products wherever handled on a custom basis, or any containers or packages containing such articles, are separated at all times from carcasses, parts thereof, meat or meat food products prepared for sale, and that all such articles prepared on a custom basis, or any containers or packages containing such articles, are plainly marked 'Not for Sale' immediately after being prepared and kept so identified until delivered to the owner, and that the establishment conducting the custom operation is maintained and operated in a sanitary manner."

91ST CONGRESS
2D SESSION

H. R. 16485

A BILL

To amend the Federal Meat Inspection Act, as amended, to clarify the provisions relating to custom slaughtering operations.

By Mr. PURCELL, Mr. SMITH of Iowa, Mr. FOLEY, Mrs. MAY, Mr. KLEPPE, Mr. ANDREWS of North Dakota, Mr. NELSEN, Mr. DENNEY, Mr. LANGEN, and Mr. MARTIN

MARCH 16, 1970
Referred to the Committee on Agriculture

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

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91st-2nd; No. 90

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HIGHLIGHTS: Senate committee reported tobacco marketing quota bill. Senate committee voted to report custom livestock slaughtering bill. House passed bill to increase public debt limit. Sen. Curtis introduced and discussed rural development bill. Sen. Moss introduced and discussed bill to provide FHA loans to certain mink farmers.

HOUSE

1. ENVIRONMENT. The Interstate and Foreign Commerce Committee reported with amendment H. R. 17255, amending the Clean Air Act to provide for improvement of the quality of the Nation's air (H. Rept. No. 91-1146). p. H5086

2. APPROPRIATIONS. The Rules Committee reported a resolution waiving points of order against certain provisions of H. R. 17867, the foreign assistance appropriations bill. pp. H5086-7

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3. PUBLIC DEBT LIMIT. Passed without amendment H. R. 17802, increasing the public debt limit. Prior to passage, a letter from the President urging prompt action on the legislation and providing for a permanent ceiling of $380 billion had been received (H. Doc. 91-345). pp. H5028-54

4. CONSERVATION. An Agriculture Committee subcommittee approved for full committee action 5 watershed projects. p. D571.

SENATE

5. MEAT INSPECTION, SLAUGHTERING, TOBACCO. Committee on Agriculture and Forestry in executive session ordered favorably reported with an amendment (but did not acutally report) S. 3592 to permit custom livestock slaughtering by retail slaughtering houses; ~~reported without amendment H. R. 14306 to amend the tobacco marketing provisions of the Agricultural Adjustment Act of 1938 (Rept. No. 91-913). p. D570; S8226~~

6. GOVERNMENT RECORDS. The Committee on Post Office and Civil Service reported with amendment H. R. 14300 to facilitate the disposal of government records without sufficient value to warrant their continued preservation (Rept. No. 91-914). p. S8226

7. ECONOMY. Sen. Percy inserted a speech by former SEC chairman Sinclair Armstrong, "Inflation: Causes and Cures". p. S8278-81

8. ENVIRONMENT. Sen. Magnuson inserted the following: an auto safety speech by Secretary Volpe in which auto safety is related to the environmental problems; the report of the Ad Hoc Committee of the International Council of Scientific Unions on problems of the human environment; and the speech of U Thant on "Human Environment and World Order". p. S8298-8300; 8308-15; 8233-96

9. FOOD STAMPS, ASSISTANCE. Sen. Yarborough inserted the report of two West Point professors on the "Food Assistance Programs; A View From the Field". p. S8242-46

10. OCEANS. Sen. Hollings noted that the resources of the seas exceed those of the moon and he called for a larger investment in ocean research. p. S8249-50

EXTENSION OF REMARKS

11. ENVIRONMENT; POLLUTION. Sen. Moss stated that "the time is surely near: when the Administration will advise the Congress concerning the reorganization of the executive agencies which deal with natural resources and the environment. pp. E5096-7

12. ELECTRIFICATION. Rep. Wold urged the creation and development of a coherent and sound national energy policy, and inserted an article on the possibility of a power shortage. pp. E5108-9

Rep. Wold inserted an article and editorial devoted to the electric power conference sponsored by Wyo.'s Governor Hathaway. pp. E5152-4

13. ECONOMICS. Rep. Steiger, Wisc., inserted an article, "Trust In Economic System Unshaken." p. E5111

DIGEST of Congressional Proceedings

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HIGHLIGHTS: House committee reported agricultural appropriation bill. Senate committee reported custom livestock slaughtering bill. Rep. Findley urged setting of wheat referendum date. Rep. Kluczynski inserted USDA's letter on allegations of inadequate imported meat inspection. Rep. Mahon inserted "'budget score-keeping'" report.

SENATE

1. MEAT INSPECTION; SLAUGHTERING. The Committee on Agriculture and Forestry reported with amendment S. 3592 to clarify the provisions relating to custom slaughtering operations (Rept. No. 91-915). p. S8347

2. CONSERVATION; ENVIRONMENT. Sen. McGee stated that he favors a fresh approach to environmental discussion, dropping the verbiage in vogue in preference for the practical approach of Wyoming writer Mike Leon. p. S8377-78

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HOUSE

3. APPROPRIATIONS. The Agriculture Committee reported H. R. 17923, the agricultural appropriations bill for FY 71 (H. Rept. No. 91-1161). (A copy of the report will be attached to the next Digest.) p. H5183

Passed with amendment H. R. 17867, making appropriations for Foreign Assistance for FY 71. pp. H5101-45

Passed without amendment H. R. 17868, the D.C. appropriations bill for FY 71. pp. H5089-100

During the debate on the Foreign Assistance appropriation bill, Rep. Mahon discussed the importance of the agricultural appropriation bill and the ways that it touches the lives of all Americans. pp. H5108-9

4. SOLID WASTE; LOANS. The Interstate and Foreign Commerce Committee reported, with amendment, H. R. 11833, amending the Solid Waste Disposal Act to provide financial assistance for the construction of solid waste disposal facilities (H. Rept. No. 91-1155). p. H5182

5. CONSERVATION. The Rules Committee granted a rule for the consideration of H. R. 15361, establishing the Youth Conservation Corps pilot program. p. H5182

6. RIVER BASINS. Agreed to the Senate amendments to H. R. 15166, authorizing additional appropriations for flood control projects in certain comprehensive river basin plans. This bill now goes to the President. pp. H5145-48

7. ECONOMY. Rep. Patman urged the President to roll back interest rates and inserted a copy of P. L. 91-151, a copy of his letter to the President requesting a meeting, and a radio interview on current economic trends. pp. H5151-56

8. LOANS. Rep. Roth discussed the current issue of "Catalog of Federal Domestic Assistance" and urged the passage of H. R. 17112, the proposed Program Information Act. pp. H5167-8

9. ENVIRONMENT. Rep. Saylor commended Field and Stream on its 75th anniversary and inserted several articles from its anniversary issue on the future of man's environment. pp. H5172-7

CUSTOM SLAUGHTERING

June 4, 1970.—Ordered to be printed

Mr. Curtis, from the Committee on Agriculture and Forestry, submitted the following

REPORT

[To accompany S. 3592]

The Committee on Agriculture and Forestry, to which was referred the bill (S. 3592) to amend the Federal Meat Inspection Act, as amended, to clarify the provisions relating to custom slaughtering operations, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

Purpose of Bill

The principal purpose of the bill is to permit custom processors to sell inspected meat and meat food products without losing their custom processing exemption. At present the law prohibits a custom processor from selling so much as a can of soup or baby food made from meat even though the meat and the product has been fully inspected. In many areas, particularly sparsely populated rural areas, the same establishment slaughters animals for their owners and sells groceries and meats and meat products. When the Federal Meat Inspection Act, or similar State law, is extended to intrastate commerce in meat as required by title III of the Wholesome Meat Act after December 15 this year (December 15, 1969 in North Dakota), these establishments will be required to make an election either to give up their retail business or to give up their custom processing business. This will deprive the community of a needed service and have an adverse effect on the economy of the area. In many cases that part of the business which is continued will not be sufficient to support the existence of the establishment, and the local community will be deprived of both custom processing services and their local retail outlet for meats, groceries, and other provisions.

The bill would permit the sale of inspected meat and meat food products by an exempt custom processor only to the same extent that

such sale by any other person would be permitted. No animals slaughtered by the exempt custom processor could be sold by him and all carcasses, parts, and products from such animals would have to be kept separate at all times from articles prepared for sale and would have to be plainly marked "Not for Sale." There would be absolutely no diminution in consumer protection. Rather the effect of the bill would be to preserve to the consumer his local outlet for fully inspected meat and meat food products.

Explanation of Bill

This bill would amend the Federal Meat Inspection Act to—

(1) Permit custom slaughterers to engage in buying and selling meat and meat food products without losing their exemption as custom slaughterers;

(2) Exempt from inspection requirements the custom preparation for the use of the owners and their households of carcasses and parts of carcasses of (i) cattle, sheep, swine, and goats slaughtered by their producers, and (ii) game animals; and

(3) Permit the Secretary to exempt custom slaughtering and processing performed by an inspected establishment.

All exempt custom operations would be required by the bill to comply with regulations prescribed by the Secretary of Agriculture to assure that the meat and meat food products handled on a custom basis are kept separate at all times from those prepared for sale and that the establishment is maintained and operated in a sanitary manner.

Section 23(a) of the Federal Meat Inspection Act at present exempts from inspection the slaughter, processing, and transportation in commerce of cattle, sheep, swine, and goats by a custom slaughterer for the use of the owner and his household; but this exemption is limited by proviso to custom slaughterers who do not engage in the business of buying or selling any carcasses, parts of carcasses, meat or meat food products of any cattle, sheep, swine, goats, or equines capable of use as human food. The bill would strike out this proviso, leaving the custom slaughterer the same right as anyone else to engage in the buying and selling of carcasses, parts, meat, and meat food products. He could not, of course, sell any part of any custom processed animal, since the exemption requires that he slaughter or process such animals exclusively for the owners of the animals and their households. His custom processing operations would have to be kept completely separate from meats sold by him. He could not sell any meat or meat food product in interstate commerce unless it had been Federally inspected. He could sell uninspected meat or meat food products in intrastate commerce only as permitted during the grace period provided by title III of the Federal Meat Inspection Act, or as permitted for intrastate sale by retail establishments under section 301(c)(2) of the act.

The bill provides for two additional custom processing exemptions, one for cattle, sheep, swine, and goats slaughtered by their producer, and one for game animals. In each case the custom processing must be done exclusively for use in the household of the owner of the animal. The exemption for game animals is designed to remove any doubt that the custom processing of deer may be permitted without inspec-

tion in both inspected and uninspected establishments. Deer do not fall into the category of cattle, sheep, swine, goats, horses, mules, or other equines, and are therefore not subject to inspection. The Secretary could exclude them from inspected establishments, but has not seen fit to preclude their custom processing by inspected establishments. The custom preparation of animals slaughtered by their owners is similar to the custom preparation now permitted with respect to game animals.

Hearings

The committee's Subcommittee on Agricultural Research and General Legislation held hearings on this bill on April 16 and 27, 1970. Enactment was recommended by Senators Curtis, Hruska, Burdick, Young of North Dakota, and Mondale; Congressmen Graham Purcell, Neal Smith, and Thomas S. Foley; the American Farm Bureau Federation; the National Livestock Feeders Association; the National Institute of Locker & Freezer Provisioners; the North Dakota Food Locker Association; the Amalgamated Meat Cutters and Butcher Workmen of America, AFL–CIO; the Consumer Federation of America; the Farmers Cooperative Council of North Carolina; Governor Scott of North Carolina; the National Grange; the Maryland Farm Bureau; the American National Cattlemen's Association; and others. Enactment was opposed by the American Meat Institute, the National Independent Meat Packers Association and Dr. Norman Pick.

The following letter, which was included in the hearings, from the president of the First National Bank of Newman Grove, Nebr., cites a specific example of the need for this legislation:

April 9, 1970.

Dear Senator Curtis: Our small town has been served by a good meat market for many years during which time it has processed cattle and hogs for farmers and ranchers and handled retail meat for the consumers of this area. The present owner has lived here all his life and is well-known and respected as a capable meat man.

The enactment of the Wholesome Meat Act has created problems which are making it difficult for this small businessman to stay in business. His volume is simply not large enough to operate as a processor alone. Yet, he can no longer sell meat over the retail counter without in effect adding an entire new facility separate from the present one and his volume will not justify this type of capital outlay and increased overhead.

If he cannot continue, he will lose his investment which represents all he has and our town will lose a business that it badly needs.

The tragedy in this whole thing is that he is running a good clean business. As a customer and fellow businessman of this meat market operator I know that people in and around Newman Grove have been buying meat in this business place for 40 or more years with no ill effects. I'm certain they will stop buying when he fails to offer a clean

wholesome product. His customers have never requested the Government tell them how or where to buy meat.

The State of Nebraska recently passed an inspection law to comply with the Federal law and so I'm afraid we now have a buck-passing situation where the State inspectors blame the Federal Government and the USDA says the State is responsible for his troubles.

This small town and others like it are having a serious survival problem as it is, without having to battle the Government which should be helping us build businesses rather than destroying the businesses we now have.

Everyone is in favor of clean meat but it appears that this recent law has gone beyond its intent and may force this good meat man out of business thus depriving all of us a source of good meat. I'm told that many other small towns are facing this same problem.

We very much appreciate your interest in our problem and thank you for anything you can do to help our meat processor and others like him to stay in business and continue to serve their communities as they have in the past.

Sincerely,

H. L. Gerhart, Jr., *President.*

The positions of the Amalgamated Meat Cutters and the Consumer Federation of America were generally similar. They both opposed any weakening of the Federal Meat Inspection Act, but favored enactment of S. 3592. The witness for the meatcutters stated:

Our union has had discussions with some members of the other body about the problems of small custom slaughterers. As a result of these conversations, the executive officers of our union, President Thomas J. Lloyd and Secretary-Treasurer Patrick E. Gorman, sent the following letter of March 18, to Representative Graham Purcell, sponsor of H.R. 16485, a bill identical to S. 3592:

Dear Mr. Purcell: Our Union supports H.R. 16485. The bill affects only custom slaughtering and that type of operation provides meat only for the slaughtered animal's owner. The meat will not be sold to anyone. We therefore see no public interest served by the inspection of custom slaughter operations. In fact, we took this position during the Congressional consideration of the meat inspection legislation and had believed custom slaughter was already exempt.

We are sorry that the Act must be amended at this time. While we are disappointed by some aspects of effectuating the Act—such as the small percentage of intra-state meat plants now being inspected under standards at least equal to the federal inspection—we had hoped that no new legislation would be necessary. As you know, our Union has strongly opposed other amendments which would have provided a delay in the Act's consumer protection and would

have cut wide loopholes in the inspection law. We continue to oppose such legislation and would be prepared to participate with consumer-interest organizations in a battle similar to the 1967 one to safeguard and extend the consumer protection won in the Wholesome Meat Act.

Sincerely,

THOMAS J. LLOYD,
President.
PATRICK E. GORMAN,
Secretary-Treasurer.

Our union therefore supports S. 3592 to clarify provisions relating to custom slaughtering operations.

The Consumer Federation of America witness had this to say:

> CFA members supported the Wholesome Meat Act of 1967. They do not want to see this act weakened. In a March 18 letter to Representative Graham Purcell, sponsor of H.R. 16485—a bill identical to S. 3592, we said:
>
> We have seen H.R. 16485 which you and other Congressmen have introduced. As we understand the measure, it would exempt from inspection only customslaughtering operations, i.e.: the slaughtering of red meat animals for the owner of the animal, with the resulting prepared meat going only for his use, that of members of his household and his nonpaying guests and employees.
>
> We had thought the Wholesome Meat Act already provided such an exemption. We therefore have no objection to this bill and will not use the occasion of congressional action on it to seek amendments strengthening the act. However, should others use this bill as a vehicle to attempt to provide further exemptions to delay the requirement for the "at least equal" State inspection program or to weaken in any way the provisions of the act, we shall consider ourselves free to undertake a campaign for amendments to strengthen the act. CFA supports S. 3592 and H.R. 16485.

COMMITTEE AMENDMENT

The committee amendment is of a purely technical nature. It is designed to make it clear that all exempt custom processing operations are to be subject to the Secretary's regulations requiring separation of custom processed meat from meat held for sale.

As the bill was introduced the provision for regulations requiring separation of custom processed meat from meat held for sale is contained in a proviso which is limited to "cases where such person * * * engages in such operations at an establishment at which inspection under this title is maintained." Since the regulations requiring such separation are not intended to be restricted to inspected establishments, the amendment would place them in a separate proviso which is not so restricted.

Departmental Views

The report of the Department of Agriculture supporting passage of the bill follows:

Department of Agriculture,
Office of the Secretary,
Washington, D.C., April 15, 1970.

Hon. Allen J. Ellender,
Chairman, Committee on Agriculture and Forestry, U.S. Senate

Dear Mr. Chairman: This is in reply to your letter of March 16, 1970, requesting a report on S. 3592, "A bill to amend the Federal Meat Inspection Act, as amended, to clarify the provisions relating to custom slaughtering operations."

The Department supports the passage of this bill.

The bill would amend section 23(a) of the Federal Meat Inspection Act. The effect of this bill would be to exempt the custom preparation by any person of carcasses, or parts or products thereof, of livestock slaughtered by the person who raised the livestock, or of game animals, provided the articles are delivered by the owner for such custom preparation and are exclusively for use in his household by him or members of his household and his nonpaying guests and employees, and the custom operations are carried out in compliance with regulations to be prescribed by the Secretary. The regulation would include requirements to assure that the establishment is maintained and operated in a sanitary manner and that the articles handled on a custom basis are separated at all times from meat products for sale and are marked as "Not for Sale" until delivered to the owner.

The custom operator would be required to keep such records as would fully and correctly disclose all transactions involved in his business. The adulteration and misbranding provisions of the act (other than the requirement of the official inspection legend) would be applicable to all of the meat products prepared by the custom operator for interstate commerce or otherwise subject to the act.

The bill would retain present provisions exempting certain custom slaughtering operations but would eliminate the requirement that the exempted slaughterers shall not engage in buying or selling any meat or meat food products capable of use as human food. In many areas of the country both these functions have been carried out at a single establishment, often the only source of meat products or custom service in the community.

The Bureau of the Budget advises there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely,

J. Phil Campbell,
Under Secretary.

Changes in Existing Law

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

FEDERAL MEAT INSPECTION ACT

* * * * * * *

SEC. 23. (a) The provisions of this title requiring inspection of the slaughter of animals and the preparation of the carcasses, parts thereof, meat and meat food products at establishments conducting such operations for commerce shall not apply to the slaughtering by any person of animals of his own raising, and the preparation by him and transportation in commerce of the carcasses, parts thereof, meat and meat food products of such animals exclusively for use by him and members of his household and his nonpaying guests and employees: nor to the custom slaughter by any person, firm, or corporation of cattle, sheep, swine or goats delivered by the owner thereof for such slaughter, and the preparation by such slaughterer and transportation in commerce of the carcasses, parts thereof, meat and meat food products of such animals, exclusively for use, in the household of such owner, by him and members of his household and his nonpaying guests and employees[: *Provided*, That such custom slaughterer does not engage in the business of buying or selling any carcasses, parts of carcasses, meat or meat food products of any cattle, sheep, swine, goats or equines, capable of use as human food]; *nor to the custom preparation by any person, firm, or corporation of carcasses, parts thereof, meat or meat food products, derived from the slaughter by any person of cattle, sheep, swine, or goats of his own raising, or from game animals, delivered by the owner thereof for such custom preparation, and transportation in commerce of such custom prepared articles, exclusively for use in the household of such owner, by him and members of his household and his nonpaying guests and employees: Provided, That in cases where such person, firm, or corporation engages in such custom operations at an establishment at which inspection under this title is maintained, the Secretary may exempt from such inspection at such establishment any animals slaughtered or any meat or meat food products otherwise prepared on such custom basis: Provided further, That custom operations at any establishment shall be exempt from inspection requirements as provided by this section only if the establishment complies with regulations which the Secretary is hereby authorized to promulgate to assure that any carcasses, parts thereof, meat or meat food products wherever handled on a custom basis, or any containers or packages containing such articles, are separated at all times from carcasses, parts thereof, meat or meat food products prepared for sale, and that all such articles prepared on a custom basis, or any containers or packages containing such articles, are plainly marked "Not for Sale" immediately after being prepared and kept so identified until delivered to the owner and that the establishment conducting the custom operation is maintained and operated in a sanitary manner.*

(b) The Secretary may, under such sanitary conditions as he may by regulations prescribe, exempt from the inspection requirements of this title the slaughter of animals, and the preparation of carcasses, parts thereof, meat and meat food products, by any person, firm, or corporation in any territory not organized with a legislative body solely for distribution within such territory when the Secretary determines that it is impracticable to provide such inspection within the limits of funds appropriated for administration of this act and that

Departmental Views

The report of the Department of Agriculture supporting passage of the bill follows:

Department of Agriculture,
Office of the Secretary,
Washington, D.C., April 15, 1970.

Hon. Allen J. Ellender,
Chairman, Committee on Agriculture and Forestry, U.S. Senate

Dear Mr. Chairman: This is in reply to your letter of March 16, 1970, requesting a report on S. 3592, "A bill to amend the Federal Meat Inspection Act, as amended, to clarify the provisions relating to custom slaughtering operations."

The Department supports the passage of this bill.

The bill would amend section 23(a) of the Federal Meat Inspection Act. The effect of this bill would be to exempt the custom preparation by any person of carcasses, or parts or products thereof, of livestock slaughtered by the person who raised the livestock, or of game animals, provided the articles are delivered by the owner for such custom preparation and are exclusively for use in his household by him or members of his household and his nonpaying guests and employees, and the custom operations are carried out in compliance with regulations to be prescribed by the Secretary. The regulation would include requirements to assure that the establishment is maintained and operated in a sanitary manner and that the articles handled on a custom basis are separated at all times from meat products for sale and are marked as "Not for Sale" until delivered to the owner.

The custom operator would be required to keep such records as would fully and correctly disclose all transactions involved in his business. The adulteration and misbranding provisions of the act (other than the requirement of the official inspection legend) would be applicable to all of the meat products prepared by the custom operator for interstate commerce or otherwise subject to the act.

The bill would retain present provisions exempting certain custom slaughtering operations but would eliminate the requirement that the exempted slaughterers shall not engage in buying or selling any meat or meat food products capable of use as human food. In many areas of the country both these functions have been carried out at a single establishment, often the only source of meat products or custom service in the community.

The Bureau of the Budget advises there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely,

J. Phil Campbell,
Under Secretary.

Changes in Existing Law

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

FEDERAL MEAT INSPECTION ACT

* * * * * * *

SEC. 23. (a) The provisions of this title requiring inspection of the slaughter of animals and the preparation of the carcasses, parts thereof, meat and meat food products at establishments conducting such operations for commerce shall not apply to the slaughtering by any person of animals of his own raising, and the preparation by him and transportation in commerce of the carcasses, parts thereof, meat and meat food products of such animals exclusively for use by him and members of his household and his nonpaying guests and employees: nor to the custom slaughter by any person, firm, or corporation of cattle, sheep, swine or goats delivered by the owner thereof for such slaughter, and the preparation by such slaughterer and transportation in commerce of the carcasses, parts thereof, meat and meat food products of such animals, exclusively for use, in the household of such owner, by him and members of his household and his nonpaying guests and employees[: *Provided,* That such custom slaughterer does not engage in the business of buying or selling any carcasses, parts of carcasses, meat or meat food products of any cattle, sheep, swine, goats or equines, capable of use as human food]; *nor to the custom preparation by any person, firm, or corporation of carcasses, parts thereof, meat or meat food products, derived from the slaughter by any person of cattle, sheep, swine, or goats of his own raising, or from game animals, delivered by the owner thereof for such custom preparation, and transportation in commerce of such custom prepared articles, exclusively for use in the household of such owner, by him and members of his household and his nonpaying guests and employees: Provided, That in cases where such person, firm, or corporation engages in such custom operations at an establishment at which inspection under this title is maintained, the Secretary may exempt from such inspection at such establishment any animals slaughtered or any meat or meat food products otherwise prepared on such custom basis: Provided further, That custom operations at any establishment shall be exempt from inspection requirements as provided by this section only if the establishment complies with regulations which the Secretary is hereby authorized to promulgate to assure that any carcasses, parts thereof, meat or meat food products wherever handled on a custom basis, or any containers or packages containing such articles, are separated at all times from carcasses, parts thereof, meat or meat food products prepared for sale, and that all such articles prepared on a custom basis, or any containers or packages containing such articles, are plainly marked "Not for Sale" immediately after being prepared and kept so identified until delivered to the owner and that the establishment conducting the custom operation is maintained and operated in a sanitary manner.*

(b) The Secretary may, under such sanitary conditions as he may by regulations prescribe, exempt from the inspection requirements of this title the slaughter of animals, and the preparation of carcasses, parts thereof, meat and meat food products, by any person, firm, or corporation in any territory not organized with a legislative body solely for distribution within such territory when the Secretary determines that it is impracticable to provide such inspection within the limits of funds appropriated for administration of this act and that

such exemption will otherwise facilitate enforcement of this act. The Secretary may refuse, withdraw, or modify any exemption under this paragraph (b) in his discretion whenever he determines such action is necessary to effectuate the pruposes of this act.

(c) The adulteration and misbranding provisions of this title, other than the requirement of the inspection legend, shall apply to articles which are exempted from inspection or not required to be inspected under this section.

○

Calendar No. 916

91st CONGRESS
2d Session

S. 3592

[Report No. 91–915]

IN THE SENATE OF THE UNITED STATES

March 13, 1970

Mr. Curtis (for himself, Mr. Hruska, Mr. Bellmon, Mr. Burdick, Mr. Dole, Mr. Jordan of North Carolina, Mr. McGee, Mr. Proxmire, and Mr. Young of North Dakota) introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry

June 4, 1970

Reported by Mr. Curtis, with an amendment

[Insert the part printed in italic]

A BILL

To amend the Federal Meat Inspection Act, as amended, to clarify the provisions relating to custom slaughtering operations.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Meat Inspection Act (34 Stat. 1260, as amended by the Wholesome Meat Act, 81 Stat. 584), is hereby amended by deleting the proviso from paragraph (a) of section 23 of the Act, and the colon preceding said proviso, and substituting therefor the following: "; nor to the custom preparation by any person, firm, or corporation of carcasses, parts thereof, meat or meat food products,

derived from the slaughter by any person of cattle, sheep, swine, or goats of his own raising, or from game animals, delivered by the owner thereof for such custom preparation, and transportation in commerce of such custom prepared articles, exclusively for use in the household of such owner, by him and members of his household and his nonpaying guests and employees: *Provided,* That in cases where such person, firm, or corporation engages in such custom operations at an establishment at which inspection under this title is maintained, the Secretary may exempt from such inspection at such establishment any animals slaughtered or any meat or meat food products otherwise prepared on such custom basis: *Provided further, That custom operations at any establishment shall be exempt from inspection requirements as provided by this section only* if the establishment complies with regulations which the Secretary is hereby authorized to promulgate to assure that any carcasses, parts thereof, meat or meat food products wherever handled on a custom basis, or any containers or packages containing such articles, are separated at all times from carcasses, parts thereof, meat or meat food products prepared for sale, and that all such articles prepared on a custom basis, or any containers or packages containing such articles, are plainly

marked 'Not for Sale' immediately after being prepared and kept so identified until delivered to the owner and that the establishment conducting the custom operation is maintained and operated in a sanitary manner."

Calendar No. 916

91ST CONGRESS
2D SESSION

S. 3592

[Report No. 91–915]

A BILL

To amend the Federal Meat Inspection Act, as amended, to clarify the provisions relating to custom slaughtering operations.

By Mr. CURTIS, Mr. HRUSKA, Mr. BELLMON, Mr. BURDICK, Mr. DOLE, Mr. JORDAN of North Carolina, Mr. MCGEE, Mr. PROXMIRE, and Mr. YOUNG of North Dakota

MARCH 13, 1970

Read twice and referred to the Committee on Agriculture and Forestry

JUNE 4, 1970

Reported with an amendment

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of June 5, 1970
91st-2nd; No. 92

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HIGHLIGHTS: Senate passed custom livestock slaughtering bill.

SENATE

1. MEAT INSPECTION. Passed as reported S. 3592, clarifying provisions of the Federal Meat Inspection Act relating to custom slaughtering operations. p. S8429

2. RECORDS. Senate passed as reported H. R. 14300, facilitating the disposal of certain Government records, and abolishing the Joint Committee on the Disposition of Executive Papers. p. S8429

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE

3. UNEMPLOYMENT. Sen. Proxmire inserted an editorial from Fortune magazine noting the need for voluntary wage-price guideposts, and a Department of Labor release regarding the employment situation as of May 1970. pp. S8430-6

4. ECONOMY. Sen. Hansen stated his support of the Administration's plans to achieve "a more stable growth pattern for our economy". p. S8454

5. NUTRITION. Sen. Dole inserted an article noting that the Kroger Co. is converting to using only enriched flour in their bakeries. pp. S8462-3

6. ENVIRONMENT. Sen. Metcalf inserted an article discussing a method developed by the Bureau of Mines for the smokeless burning of junked cars. p. S8463

HOUSE

7. LEGISLATIVE PROGRAM. The "Daily Digest" states that the agricultural appropriation bill FY 71 will be considered on Tuesday. p. D586

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EXTENSION OF REMARKS

8. FOREIGN TRADE. Rep. Burton, Utah, stated that "foreign trade trends are a major factor" in unemployment both nationally and in his district. pp. E5288-9

COMMITTEE HEARINGS ANNOUNCEMENTS:
June 8: Prohibit importation of certain agricultural commodities to which economic poisons have been applied, H. Agriculture (Bayley to testify).
Animal protection, H. Agriculture.
Second supplemental appropriations, S. Appropriations (to mark-up).
Water pollution control, S. Public Works.
June 9: Animal protection, H. Agriculture (Mulhern, ARS, to testify).

-oOo-

a hearing on S. 3070, the Plant Variety Protection Act, on Thursday, June 1, at 9:30 a.m., in room 324 Senate Office Building.

THE CALENDAR

Mr. MANSFIELD. Mr. President, with the understanding that the rule of germaneness does not apply, I ask unanimous consent that I may call up Calendar Nos. 915, 916, 917.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DISPOSITION OF EXECUTIVE PAPERS

The Senate proceeded to consider the bill (H.R. 14300) to amend title 44, United States Code, to facilitate the disposal of Government records without sufficient value to warrant their continued preservation, to abolish the Joint Committee on the Disposition of Executive Papers, and for other purposes which had been reported from the Committee on Post Office and Civil Service with amendments on page 2, after line 15, strike out:

"(b) Authorizations granted under schedules submitted to the Administrator under section 3303(3) of this title shall be permissive and not mandatory.

And, in lieu thereof, insert:

"(b) Authorizations granted under lists and schedules submitted to the Administrator under section 3303 of this title shall be mandatory, subject to section 2909 of this title. Authorizations granted under schedules promulgated under subsection (d) of this section shall be permissive.

On page 3, after line 12, insert:

"(d) The administrator may promulgate schedules authorizing the disposal, after the lapse of specified periods of time, of records of a specified form or character common to several or all agencies if such records will not, at the end of the periods specified, have sufficient administrative, legal, research, or other value to warrant their further preservation by the United States Government.

"(e) The Administrator may approve and effect the disposal of records that are in his legal custody, provided that records that had been in the custody of another existing agency may not be disposed of without the written consent of the head of the agency.

And on page 4, at the beginning of line 1, after the quotation mark, strike out "(d)" and insert "(f)".

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

THE FEDERAL MEAT INSPECTION ACT

The Senate proceeded to consider the bill (S. 3592) to amend the Federal Meat Inspection Act, as amended, to clarify the provisions relating to custom slaughtering operations which had been reported from the Committee on Agriculture and Forestry with an amendment on page 2, line 13, after the word "basis", insert a colon and *"Provided further,* That custom operations at any establishment shall be exempt from inspection requirements as provided by this section only"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Meat Inspection Act (34 Stat. 1260, as amended by the Wholesome Meat Act, 81 Stat. 584), is hereby amended by deleting the proviso from paragraph (a) of section 23 of the Act, and the colon preceding said proviso, and substituting therefor the following: "; nor to the custom preparation by any person, firm, or corporation of carcasses, parts thereof, meat or meat food products, derived from the slaughter by any person of cattle, sheep, swine, or goats of his own raising, or from game animals, delivered by the owner thereof for such custom preparation, and transportation in commerce of such custom prepared articles, exclusively for use in the household of such owner, by him and members of his household and his nonpaying guests and employees: *Provided,* That in cases where such person, firm, or corporation engages in such custom operations at an establishment at which inspection under this title is maintained, the Secretary may exempt from such inspection at such establishment any animals slaughtered or any meat or meat food products otherwise prepared on such custom basis: *Provided further,* That custom operations at any establishment shall be exempt from inspection requirements as provided by this section only if the establishment complies with regulations which the Secretary is hereby authorized to promulgate to assure that any carcasses, parts thereof, meat or meat food products wherever handled on a custom basis, or any containers or packages containing such articles, are separated at all times from carcasses, parts thereof, meat or meat food products prepared for sale, and that all such articles prepared on a custom basis, or any containers or packages containing such articles, are plainly marked 'Not for Sale' immediately after being prepared and kept so identified until delivered to the owner and that the establishment conducting the custom operation is maintained and operated in a sanitary manner."

Mr. CURTIS. Mr. President, I wish to thank the distinguished majority leader (Mr. MANSFIELD) for calling up S. 3592. He has been very helpful in this matter. This measure means a great deal to our rural areas. The bill was introduced by me to meet a very urgent problem. The measure is cosponsored by Senators HRUSKA, BELLMON, BURDICK, DOLE, JORDAN of North Carolina, YOUNG of North Dakota, PROXMIRE, McGEE, and MANSFIELD.

This legislation is greatly needed. The enactment of this bill will not in any way hinder or thwart the objectives of the Wholesome Meat Act, which is now the law. The enactment of this bill is necessary in order to make that law workable and to make it do justice, particularly in rural areas.

Section 23 (a) of the Federal Meat Inspection Act at present exempts from inspection custom slaughtering. This is as it should be. Custom slaughtering can be defined as that slaughtering that is performed for hire by a slaughterer who kills and perhaps processes hogs and cattle and other meat animals for the owner of such meat animals, and all of the meat and meat products are returned to that owner and used by him in his own household. In other words, just as an owner can kill his own animal and eat the meat without being subject to the Federal inspection, he can hire someone else to do the work. It was sound and right that custom slaughtering be exempt from the Meat Inspection Act that was passed sometime ago.

The problem arises by reason of the proviso to that section which prohibits custom slaugherers to engage in the business of buying or selling any carcasses, parts of carcasses, meat or meat food products. In other words, if an individual is a custom slaughterer, he cannot under existing law engage in either the retailing or wholesaling of meat. The effect of this proviso is to make it impossible for thousands of small businessmen to continue to operate. The income from custom slaughtering is not sufficient to make their business economically feasible. They need to continue to have the opportunity of selling meat to the public as most of them have been doing through the years.

Unless this legislation is passed we will see the closing of a great many small businesses—particularly in the rural areas—but the problem does not end there. Those businesses are a necessary and important part of their community If those businesses close, it will bring hardship and possible closing upon other businesses, and it will be a setback for our small communities at the very time that it is the policy of our Government to promote the economic opportunities of rural America.

Mr. President, the bill S. 3592 has been carefully worked out. It will fully protect the public. It is a compromise measure. It will not give to every local meat processor all that he desires. It will enable him to survive. At the same time the public is assured clean and wholesome meat to the same extent as it is now under existing law.

Here is what this bill would do. It would permit a custom slaughterer, who also very likely might be operating a locker plant, to engage in the buying and selling of meat, but the meat that he sells to his customers must come from an inspected plant.

This means that the passage of this bill will not authorize 1 ounce of uninspected meat to be sold, either at wholesale or at retail. The public will be fully protected.

The measure is supported by the Department of Agriculture and numerous farm organizations. It is supported by locker plant operators, custom slaughterers, and merchants. As shown by the report it is supported by consumers, and one group of well-organized consumers, the Consumers Federation.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. CURTIS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE SIOUX TRIBE OF THE FORT PECK INDIAN RESERVATION, MONT.

The bill (H.R. 10184) to provide for the disposition of judgment funds of the Sioux Tribe of the Port Peck Indian Reservation, Mont., was considered, ordered to a third reading, read the third time, and passed.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Pursuant to the previous order the Chair recognizes the Senator from Wisconsin for a period not to exceed 30 minutes.

Mr. PROXMIRE. Mr. President, I shall address the Senate on two matters. The principal matter I had asked time for is the very unfortunate Lockheed matter involving the C–5A. I think it is time the Senate and the country had a report on that situation and that we face up to what is one of the most difficult and painful tasks before us. Before I get into that I would like to discuss the very unfortunate statistics which have come to the attention of the country in the last few hours.

THE RISE IN THE UNEMPLOYMENT RATE

Mr. PROXMIRE. Mr. President, it was announced just this morning that the unemployment rate has now reached 5 percent. This is dramatic evidence of our thoroughly unsatisfactory economic situation. Unemployment is high and it is rising. Yet, after these many months of waiting and searching for some slackening of inflation, we can still find no evidence that price increases are slowing down.

Let me point out that the insured unemployment rate, the rate which measures the employment situation among steady, experienced workers—men with families to support—rose to 3.6 percent in May. Over the past 2 months, this insured unemployment rate has shown the sharpest increase since 1959. Statistics such as this demonstrate the seriousness of the failure of current policies to cure our economic ills.

Mr. President, I would like to point out further that since December unemployment has risen by nearly 1.3 million, and that includes the 600,000 adult men, 425,000 adult women, and 225,000 teenagers. Of the increase, 60 percent were persons who lost their last jobs, 20 percent were reentrants to the labor force, and 10 percent were persons who had never worked before and job leavers. All of the April-to-May unemployment increase was among the job losers.

Thus far this year, the unemployment rate has risen from 3.5 percent in December to 5 percent in May, the sharpest increase for a 5-month span in more than a decade. Most of the current increase has been among full-time workers, although the part-time rate has also risen. The May increase occurred entirely among full-time workers, whose rate rose from 4.4 to 4.7 percent.

Unemployment rates for craftsmen and operatives rose over the month, as jobless rates in manufacturing and construction increased markedly. Rates in these two industries had been virtually unchanged for the past 3 months. At 5.2 percent, the manufacturing rate was 2 percentage points above its year-ago level, while the unemployment rate in construction—11.9 percent—was double the May 1969 rate.

Mr. President, that is one of the most ironic statistics we can contemplate in our economy. We have a housing shortage which is the worst in 20 years. People urgently and desperately need homes.

In 1968, Congress established housing goals of 26 million housing starts in the next 10 years, or 2.6 million starts a year. This year we will be lucky with one-half of that number. Yet, construction workers who could work on these houses are unemployed. Obviously, our policies are drastically mistaken, and it is time that we improve them.

It is easy to criticize any administration, whether it be Democratic or Republican, in times like this, but it seems to me it is necessary to point out what can be done about the situation.

As I have pointed out on numerous recent occasions, the absence of a price and incomes policy is a major deficiency in this administration's efforts to control the economy. We have heard a lot of excuses about the difficulties of formulating guideposts or other mechanisms which would be effective in the present situation. As evidence that it is not impossible to formulate sensible specific proposals, I would like to place in the RECORD today an editorial from the May issue of Fortune magazine. This editorial contains a very specific proposal for logical and equitable guideposts which would contribute to the reduction of inflation.

Fortune magazine's particular formula may or may not be the best possible one, but certainly it is worthy of consideration. The administration should be considering this plan, and it should be considering other specific alternatives. I hope that they are doing so. The situation does not permit of further delay and equivocation.

I ask unanimous consent to insert in the RECORD an editorial from the May issue of Fortune magazine and also the release from the Department of Labor regarding the employment situation as of May 1970.

There being no objection, the editorial and release were ordered to be printed in the RECORD, as follows:

[From Fortune magazine, May 1970]

A CASE FOR GUIDEPOSTS

Warily and reluctantly, FORTUNE has come to the conclusion that the federal government should set up voluntary wage-price guideposts, something like those of the early 1960's. We don't *like* the idea of guideposts, even noncompulsory ones, and we would make only modest claims for their efficacy. Moreover, the advocacy of government intervention in the workings of the market is philosophically at odds with the principles of economic freedom to which we subscribe. But in the present situation, with psychology getting in the way of economics, with inflation proving more persistent than economists had expected, it could be temporarily useful to establish governmental standards designed to guide wage settlements and price decisions in the direction of price stability.

This is easier said than done, to be sure. There is not even a generally accepted label for such a policy, much less a blueprint. But under one label or another, a good many people are advocating reconsideration of guideposts. Walter Heller, who as chairman of the Council of Economic Advisers helped set up the original guideposts in 1962, speaks of the present need for "ground rules." Arthur Okun, chairman of the council during the last year of the Johnson Administration, calls for a "speed limit." J. Dewey Daane, a governor of the Federal Reserve Board, urges adoption of some form of "incomes policy." Other advocates have taken up the somewhat yogurty term "moral suasion." In Congress, most of the Democratic members of the Joint Economic Committee have put their names to a report urging that the Council of Economic Advisers publish "specific quantitative standards . . . such that voluntary compliance by business and labor will contribute to the restoration of greater price stability."

TOO LITTLE CHIPPING

The Administration, however, has so far sturdily adhered to the position Richard Nixon took at his first press conference as President. "I do not go along," he said, "with the suggestion that inflation can be effectively controlled by exhorting labor and management and industry to follow certain guidelines." Labor leaders and business managers, he added, "much as they might personally want to do what is in the best interest of the nation, have to be guided by the interests of the organization that they represent."

Strong support for the Administration's stand has come from a number of outside economists, including the University of Chicago's formidable Milton Friedman. Trying to re-establish guideposts, Friedman says, would be like "replaying a cracked record." That sort of policy, he argues, represents an effort to shift to labor leaders and businessmen the blame for inflation brought on by government. "Inflation is made by Washington and in Washington and nowhere else."

There is much to be said, certainly, for letting wages and prices—within a framework of appropriate fiscal and monetary policies—work themselves out in the market. That invisible hand, arthritic though it sometimes seems, is not dead. But once again we are confronted with unsatisfactory results: unemployment up, housing depressed, profits squeezed, yet consumer prices still rising unpleasantly fast.

The underlying difficulty, as the article beginning on page 152 details, is that in the U.S.. economy the trade-off between inflation and unemployment is worsened by numerous structural rigidities—high minimum wages, oil-import quotas, and the building trades' monopolistic control of the labor supply, to mention only a few. As a result, full employment is attended by unacceptably rapid inflation, and efforts to stabilize prices by reducing demand tend to produce unacceptably high unemployment. In the quarter-century since the passage of the Employment Act, both Democratic and Republican administrations have notably failed to make sustained efforts to improve the trade-off by chipping away at the rigidities. We urge the Nixon Administration to chip away energetically. But this task, unfortunately, promises rather little in the way of swift results.

To a great extent the arguments currently advanced against guideposts appear to be directed against what happened after the original guideposts collapsed in 1966. During 1966–68, in a time of surging excess demand, the Johnson Administration pursued recklessly inflationary policies and tried to "jawbone" business into moderating the inevitably inflationary consequences. It was like bailing a badly leaking boat with a demitasse spoon.

But economic conditions and policies are

91ST CONGRESS
2D SESSION

S. 3592

IN THE HOUSE OF REPRESENTATIVES

JUNE 8, 1970
Referred to the Committee on Agriculture

AN ACT

To amend the Federal Meat Inspection Act, as amended, to clarify the provisions relating to custom slaughtering operations.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Meat Inspection Act (34 Stat. 1260, as amended by the Wholesome Meat Act, 81 Stat. 584), is hereby amended by deleting the proviso from paragraph (a) of section 23 of the Act, and the colon preceding said proviso, and substituting therefor the following: "; nor to the custom preparation by any person, firm, or corporation of carcasses, parts thereof, meat or meat food products, derived from the slaughter by any person of cattle, sheep,

swine, or goats of his own raising, or from game animals, delivered by the owner thereof for such custom preparation, and transportation in commerce of such custom prepared articles, exclusively for use in the household of such owner, by him and members of his household and his nonpaying guests and employees: *Provided*, That in cases where such person, firm, or corporation engages in such custom operations at an establishment at which inspection under this title is maintained, the Secretary may exempt from such inspection at such establishment any animals slaughtered or any meat or meat food products otherwise prepared on such custom basis: *Provided further*, That custom operations at any establishment shall be exempt from inspection requirements as provided by this section only if the establishment complies with regulations which the Secretary is hereby authorized to promulgate to assure that any carcasses, parts thereof, meat or meat food products wherever handled on a custom basis, or any containers or packages containing such articles, are separated at all times from carcasses, parts thereof, meat or meat food products prepared for sale, and that all such articles prepared on a custom basis, or any containers or packages containing such articles, are plainly marked 'Not for Sale' immediately after being prepared

and kept so identified until delivered to the owner and that the establishment conducting the custom operation is maintained and operated in a sanitary manner."

Passed the Senate June 5, 1970.

Attest: FRANCIS R. VALEO,

Secretary.

91ST CONGRESS
2D SESSION

S. 3592

AN ACT

To amend the Federal Meat Inspection Act, as amended, to clarify the provisions relating to custom slaughtering operations.

JUNE 8, 1970
Referred to the Committee on Agriculture

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of June 16, 1970
91st-2nd; No. 99

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HIGHLIGHTS: House agreed to Senate amendment to special milk program bill. House subcommittee approved custom slaughtering bill.

HOUSE

1. MILK PROGRAM. Agreed to the Senate amendment to H. R. 5554, providing a special milk program for children. This bill now goes to the President. p. H5574

2. SLAUGHTERING. An Agriculture Committee subcommittee approved for full committee consideration ~~xxxxxx~~ action H. R. 16485, amended, clarifying the provisions relating to custom slaughtering operations. p. D635

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
OFFICIAL BUSINESS

POSTAGE AND FEES PAID
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3. WALLA WALLA PROJECT. A conference report was filed on S. 743, authorizing the construction, operation, and maintenance of the Touchet division, Walla Walla project (H. Rept. No. 91-1196). p. H5636

4. RECLAMATION. A conference report was filed on S. 2062, providing for the differentiation between private and public ownership of lands in the administration of the acreage limitation provisions of Federal reclamation law (H. Rept. No. 91-1197). p. H5636

5. STOCKPILE. A conference report was filed on H. R. 15833, authorizing the disposal of fluorspar from the national stockpile. p. H5636

6. PRODUCTION RESEARCH. Agreed to the Senate amendments to H. R. 14810, authorizing production research under marketing agreement and order programs. This bill now goes to the President. p. H5574

7. HOUSING. The Rules Committee granted a rule providing for the consideration of H. R. 17495, increasing the availability of mortage credit for the financing of urgently needed housing. p. D636

   Rep. Barrett inserted an article critical of the Administration's plan to increase funds available for home loans by starting to pay off the national debt. p. H5633

8. FOREIGN TRADE. Rep. Dorn stated there is a need to reject partisanship to "save the American textile industry from excessive unfair low-wage foreign imports". p. H5614

9. FOOD. A memorial was received from the California legislative, relative to the feeding of needy schoolchildren; to the Committee on Education and Labor. p. H5637

SENATE

10. FOREIGN TRADE; MINERALS. The Committee on Finance reported without amendment the following bills: H. R. 14956 to extend for three years the period during which certain dyeing and tanning materials may be imported free of duty (S. Rept. No. 91-931); H. R. 17241 to continue the existing suspension of duties on certain forms of copper (S. Rept. No. 91-932); and H. R. 14720 to continue the existing suspension of duties on manganese ore (S. Rept. No. 91-933). p. S9040

11. APPROPRIATIONS. Received from the President a proposed amendment to the Budget, 1971, to provide funds for Department of Commerce National Industrial Pollution Control Council (S. Doc. No. 91-91). p. S9040

12. ECONOMY. Sen. Javits tied the discordant economic situation to the "7-year plague of Vietnam" and submitted suggestions "toward the end of getting our economy moving". pp. S9055-59

    Sen. Goldwater inserted the optimistic statement of a Univ. of Chicago economist on the state of the economy. pp. S9101-04

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of June 18, 1970
91st-2nd; No. 101

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HIGHLIGHTS: House Appropriations Committee reported continuing resolution for FY 71. House Committee reported custom slaughtering bill. Senate Appropriations Committee subcommittee approved Interior's appropriations bill for FY 71. **House Committee voted to report a number of bills of interest to the Department.**

HOUSE

1. APPROPRIATIONS. The Appropriations Committee reported H. J. Res. 1264, making continuing appropriations for FY 71 through July 31, 1970. p. H5846.
Representatives Mahon and Bow discussed the status of the FY 71 appropriation bills. pp. H5760-2

The Appropriations Committee reported H. R. 18127, making appropriations for public works, the Atomic Energy Commission for FY 71 (H. Rept. No. 91-1219) p. H5846

2. MEAT INSPECTION. The Agriculture Committee reported S. 3592, clarifying the provisions of the Federal Meat Inspection Act relating to custom slaughtering operations (H. Rept. No. 91-1221). p. H5846 Reported without amendment

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12. PACKAGING AND LABELING. Sen. Pearson commented on his bill S. 3752 to amend the Fair Packaging and Labeling Act to require unit pricing and inserted materials reflecting response to the bill and its purposes. pp. S9265-70

13. ENVIRONMENT. Sen. McIntyre inserted Sen. Nelson's speech "We Need a New Global Agency To Confront The Environment Crisis" which considers the problems involved when the pollutants from one country cross into environment of another country. pp. S9286-88

EXTENSION OF REMARKS

14. BEEF PRICES. Rep. Nichols inserted a pamphlet from the Alabama Cattlemens Association responding to the criticism about current beef prices. pp. E5697-8

15. FERTILIZER; POLLUTION. Rep. Hanna inserted a statement about the use of seaweed as a fertilizer and its nonpollutant qualities. pp. E5713-5

16. ENVIRONMENT. Rep. Dingell inserted an article "Everyone Wants to Save the Environment But No One Knows Quite What to Do". pp. E5716-8

Rep. Reuss inserted a recent article on the world environment. pp. E5720-1

Rep. Ryan inserted his statement on his bill H. R. 17113 regarding air pollution control programs. pp. E5748-50

Rep. Van Deerlin inserted an article "Giving the Earth a Change" and its recommendations to curb pollution. pp. E5755-8

17. OPINION POLL. Rep. Bow inserted the results of an opinion poll in his district and a listing of the bills he has sponsored in the 91st Congress. pp. E5727-8

BILLS INTRODUCED

18. HIGHWAY; RURAL DEVELOPMENT. S. 3986, by Sen. Pearson; to amend title 23 of the United States Code, relating to highways, in order to promote the development of rural America; to the Committee on Public Works. Remarks of author pp. S9241-3

19. MEAT INSPECTION. S. 3987, by Sen. Burdick; to provide for thorough health and sanitation inspection of all livestock products imported into the United States; to the Committee on Agriculture and Forestry.

20. PERSONNEL. H. R. 18118, by Rep. Gallagher; to amend title 5, United States Code, to provide for judicial review of decisions of the Civil Service Commission with respect to questions of disability and dependency under the civil service retirement program; to the Committee on Post Office and Civil Service.

91st Congress } HOUSE OF REPRESENTATIVES { Report
2d Session } { No. 91-1221

CUSTOM SLAUGHTER EXEMPTION UNDER FEDERAL MEAT INSPECTION ACT

June 18, 1970.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. Poage, from the Committee on Agriculture, submitted the following

REPORT

[To accompany S. 3592]

The Committee on Agriculture to whom was referred the bill (S. 3592) to amend the Federal Meat Inspection Act, as amended, to clarify the provisions relating to custom slaughtering operations, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

Purpose

The purpose of this bill is to improve the effectiveness of the Federal meat inspection program. It would, among other things, permit custom slaughterers to buy and sell inspected meat and meat food products without losing the exemption they currently have under the act.

The present statute provides an exemption for custom slaughtering (i.e., the slaughter of an animal and the preparation of its meat by one person for another). This exemption, however, is contingent upon the custom slaughterer not engaging in the business of buying or selling *any* meat or meat products whatsoever.

In addition to changing the exemption so as to permit custom slaughterers to conduct a separate inspected meat business, the bill would also continue an exemption for owners to slaughter and process their own animals for their own use; provide that the Secretary could exempt custom slaughtering and processing performed by an inspected establishment; and specifically require for consumer protection that any custom slaughtered articles be clearly marked as "not for sale."

Need for Legislation

Under the narrow exemption in the present act, a custom slaughterer is prohibited from selling any meat or meat product—even a clean and wholesome article which has received Federal inspection. This can include canned meat or even soup, for example.

The committee found that the application of this narrow exemption would work an undue hardship in many instances. The committee feels this is especially true in rural areas where it is a common practice to kill and dress an animal for local customers. Under the law as it is now written these small businesses would either have to cease providing this service or come under the regular inspection process for their custom slaughtering operation. In order to prevent disruption of local economies and to avoid this inequity, the committee has unanimously approved this bill.

It is, of course, the clear intent of this bill that nothing in it will be construed to weaken in any way the protection that the act affords consumers. The custom slaughter exemption for retail establishments is contingent upon those establishments buying and selling inspected meat and meat products. It is further subject to such other regulations the Secretary may establish. And finally, this legislation specifically requires the physical segregation of custom slaughtered meat from the inspected meat and meat products that are offered for sale to the public.

The committee feels that the other proposed changes in the act (i.e., individual slaughter exemption and the game animal exemption) are also needed in order to provide hunters and the Nation's game industry a necessary and desirable service.

The committee is also aware of the imminent deadline of June 23, 1970, when Federal inspection is scheduled to go into effect in the State of North Dakota. The committee, therefore, urges the Secretary to exercise reasonable administrative discretion in enforcing the custom slaughter provisions of the act until such time in the near future when the House has an opportunity to work its will upon this legislation.

Hearings

On June 16, 1970, the Subcommittee on Livestock and Grains held a public hearing on S. 3592 and similar House bills by Mr. Purcell, Mr. Smith of Iowa, Mr. Foley, Mrs. May, Mr. Kleppe, Mr. Andrews of North Dakota, Mr. Nelsen, Mr. Denney, Mr. Langen, Mr. Martin, Mr. Hungate, Mr. Scott, Mr. Quie, Mr. Berry, and Mr. Duncan.

At the hearing this legislation received support from a broad spectrum of opinion, and only one meat processor association which had not supported the Wholesome Meat Act of 1967 opposed this bill. The subcommittee unanimously approved H.R. 16485, a companion bill to S. 3592.

Administration Position

The U.S. Department of Agriculture supports the passage of this legislation as indicated in the following report on H.R. 16485 and testimony by a departmental official at the public hearing:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C., April 15, 1970.

Hon. W. R. POAGE,
Chairman, Committee on Agriculture,
House of Representatives.

DEAR MR. CHAIRMAN: This is in reply to your letter of March 24, 1970, requesting a report on H.R. 16485, a bill to amend the Federal Meat Inspection Act, as amended, to clarify the provisions relating to custom slaughtering operations.

The Department supports the passage of this bill.

The bill would amend section 23(a) of the Federal Meat Inspection Act. The effect of this bill would be to exempt the custom preparation by any person of carcasses, or parts or products thereof, of livestock slaughtered by the person who raised the livestock or of game animals, provided the articles are delivered by the owner of such custom preparation and are exclusively for use in his household by him and members of his household and his nonpaying guests and employees, and the custom operations are carried out in compliance with regulations to be prescribed by the Secretary. The regulations would include requirements to assure that the establishment is maintained and operated in a sanitary manner and that the articles handled on a custom basis are separated at all times from meat products for sale and are marked as "Not for Sale" until delivered to the owner. The custom operator would be required to keep such records as would fully and correctly correctly disclose all transactions involved in his business. The adulteration and misbranding provisions of the act (other than the requirement of the official inspection legend) would be applicable to all of the meat products prepared by the custom operator for interstate commerce or otherwise subject to the act.

The bill would retain present provisions exempting certain custom slaughtering operations but would eliminate the requirement that the exempted slaughterers shall not engage in buying or selling any meat or meat food products capable of use as human food. In many areas of the country both these functions have been carried out at a single establishment, often the only source of meat products or custom service in the community.

The Bureau of the Budget advises there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely,

J. PHIL CAMPBELL,
Under Secretary.

STATEMENT BY ROY W. LENNARTSON, ADMINISTRATOR, CONSUMER AND MARKETING SERVICE

Mr. Chairman, members of the committee, I appreciate the opportunity to appear before you on behalf of the Department of Agriculture to comment on Congressman Purcell's bill (H.R. 16485) to amend section 23(a) of the Federal Meat Inspection Act.

The Department supports this bill. It will not reduce consumer protection but will greatly simplify the administration of the act.

The Federal Meat Inspection Act, which the Wholesome Meat Act amended, does not presently exempt custom operations from inspection if the person doing custom work engages in the business of buying or selling any meat or meat food products.

However, in many areas of the country both these functions—custom slaughtering and custom processing, as well as the buying and selling of meat products—are carried out at a single establishment. Such an establishment, which may well depend on both types of operations for survival, is often the only source of meat products or custom service in the community.

The bill under consideration by your committee would exempt the purely custom operations from full inspection requirements provided these operations are carried out in compliance with regulations as prescribed by the Secretary of Agriculture.

These regulations would require that the establishment be maintained and operated in a sanitary manner at all times.

The regulations also would require the operator to segregate those articles handled on a custom basis from any articles he is preparing or offering for sale. And those articles handled on a custom basis would be required to be identified as "not for sale" until delivered to the owner for whom the establishment is doing custom work. All products bought and sold would be from inspected sources.

The custom operator would be required to keep records for examination by inspection personnel that would fully and correctly disclose all transactions he carries out, including both work done on a custom basis and any buying and selling he may do.

We have critically examined this proposed bill from the standpoint not only of the livestock and meat industry, but from the consumer's as well. We believe it will continue to offer the general public the protection intended by the Wholesome Meat Act, while at the same time providing a practical means for individuals to obtain custom services for products that will be returned to them for their consumption.

Thank you for this opportunity to present our views in support of this bill.

Cost

The committee does not anticipate that the enactment of this bill will increase the cost of administering the Meat Inspection Act.

Changes in Existing Law

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, and existing law in which no change is proposed is shown in roman):

FEDERAL MEAT INSPECTION ACT

* * * * * * *

SEC. 23. (a) The provisions of this title requiring inspection of the slaughter of animals and the preparation of the carcasses, parts thereof, meat and meat food products at establishments conducting such operations for commerce shall not apply to the slaughtering by any person of animals of his own raising, and the preparation by him and transportation in commerce of the carcasses, parts thereof, meat and meat food products of such animals exclusively for use by him and members of his household and his nonpaying guests and employees: nor to the custom slaughter by any person, firm, or corporation of cattle, sheep, swine or goats delivered by the owner thereof for such slaughter, and the preparation by such slaughterer and transportation in commerce of the carcasses, parts thereof, meat and meat food products of such animals, exclusively for use, in the household of such owner, by him and members of his household and his nonpaying guests and employees[: *Provided*, That such custom slaughterer does not engage in the business of buying or selling any carcasses, parts of carcasses, meat or meat food products of any cattle, sheep, swine, goats or equines, capable of use as human food]; *nor to the custom preparation by any person, firm, or corporation of carcasses, parts thereof, meat or meat food products, derived from the slaughter by any person of cattle, sheep, swine, or goats of his own raising, or from game animals, delivered by the owner thereof for such custom preparation, and transportation in commerce of such custom prepared articles, exclusively for use in the household of such owner, by him and members of his household and his nonpaying guests and employees: Provided, That in cases where such person, firm, or corporation engages in such custom operations at an establishment at which inspection under this title is maintained, the Secretary may exempt from such inspection at such establishment any animals slaughtered or any meat or meat food products otherwise prepared on such custom basis: Provided further, That custom operations at any establishment shall be exempt from inspection requirements as provided by this section only if the establishment complies with regulations which the Secretary is hereby authorized to promulgate to assure that any carcasses, parts thereof, meat or meat food products wherever handled on a custom basis, or any containers or packages containing such articles, are separated at all times from carcasses, parts thereof, meat or meat food products prepared for sale, and that all such articles prepared on a custom basis, or any containers or packages containing such articles, are plainly marked "Not for Sale" immediately after being prepared and kept so identified until delivered to the owner and that the establishment conducting the custom operation is maintained and operated in a sanitary manner.*

(b) The Secretary may, under such sanitary conditions as he may by regulations prescribe, exempt from the inspection requirements of this title the slaughter of animals, and the preparation of carcasses, parts thereof, meat and meat food products, by any person, firm, or corporation in any territory not organized with a legislative body solely for distribution within such territory when the Secretary determines that it is impracticable to provide such inspection within the limits of funds appropriated for administration of this act and that such exemption will otherwise facilitate enforcement of this Act.

The Secretary may refuse, withdraw, or modify any exemption under this paragraph (b) in his diseretion whenever he determines such aetion is neeessary to effeetuate the purposes of this aet.

(c) The adulteration and misbranding provisions of this title, other than the requirement of the inspection legend, shall apply to articles whieh are exempted from inspection or not required to be inspected under this seetion.

○

Union Calendar No. 579

91ST CONGRESS
2D SESSION

S. 3592

[Report No. 91-1221]

IN THE HOUSE OF REPRESENTATIVES

JUNE 8, 1970
Referred to the Committee on Agriculture

JUNE 18, 1970
Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

---

AN ACT

To amend the Federal Meat Inspection Act, as amended, to clarify the provisions relating to custom slaughtering operations.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Meat Inspection Act (34 Stat. 1260, as amended by the Wholesome Meat Act, 81 Stat. 584), is hereby amended by deleting the proviso from paragraph (a) of section 23 of the Act, and the colon preceding said proviso, and substituting therefor the following: "; nor to the custom preparation by any person, firm, or corporation of carcasses, parts thereof, meat or meat food products, derived from the slaughter by any person of cattle, sheep,

swine, or goats of his own raising, or from game animals, delivered by the owner thereof for such custom preparation, and transportation in commerce of such custom prepared articles, exclusively for use in the household of such owner, by him and members of his household and his nonpaying guests and employees: *Provided,* That in cases where such person, firm, or corporation engages in such custom operations at an establishment at which inspection under this title is maintained, the Secretary may exempt from such inspection at such establishment any animals slaughtered or any meat or meat food products otherwise prepared on such custom basis: *Provided further,* That custom operations at any establishment shall be exempt from inspection requirements as provided by this section only if the establishment complies with regulations which the Secretary is hereby authorized to promulgate to assure that any carcasses, parts thereof, meat or meat food products wherever handled on a custom basis, or any containers or packages containing such articles, are separated at all times from carcasses, parts thereof, meat or meat food products prepared for sale, and that all such articles prepared on a custom basis, or any containers or packages containing such articles, are plainly marked 'Not for Sale' immediately after being prepared

and kept so identified until delivered to the owner and that the establishment conducting the custom operation is maintained and operated in a sanitary manner."

Passed the Senate June 5, 1970.

Attest: FRANCIS R. VALEO,

Secretary.

Union Calendar No. 579

91ST CONGRESS
2D SESSION

S. 3592

[Report No. 91–1221]

AN ACT

To amend the Federal Meat Inspection Act, as amended, to clarify the provisions relating to custom slaughtering operations.

JUNE 8, 1970

Referred to the Committee on Agriculture

JUNE 18, 1970

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of July 6, 1970
91st-2nd; No.112

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HIGHLIGHTS: House passed bills providing for:
increasing states participating in marketing orders for apples;
cost-sharing in RC & D projects;
clarifying the custom slaughtering provisions;
permitting marketing orders applicable to apples;
authorizing marketing research for almonds;
providing that interest on certain FHA insured loans be included in gross income.
Rep. Schwengel inserted Secretary Hardin's speech in Des Moines.
Sen. McGovern submitted amendment to agricultural appropriations bill for food stamp program.

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
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HOUSE

1. BILLS PASSED.
Sent to the President:
S. 1455, increasing states participating in marketing orders for apples. p. H6337
S. 2598, cost-sharing in RC&D projects. pp. H6337-8
S. 3592, custom slaughtering bill. pp. H6355-61, under suspension of the Ru
Sent to the Senate:
HR 15979, taxation on certain FHA insured loans. pp. H6343-7
S. 1456, with amendment, marketing orders applicable to apples for paid advertising. pp. H6338-9
HR 13978, with amendment, marketing research and promotion projects for almonds. p. H6339

2. WILDERNESS. An Interior and Insular Affairs Committee subcommittee approved for full committee:
HR 16822, designating lands in the Craters of the Moon National Monument as as wilderness, and
HR 13232, designating lands in the Petrified National Park as wildnerness. p. D721

3. WATERSHEDS. Received two letters from the Budget Bureau transmitting plans for watersheds; one to the Committee on Agriculture and one to the Committee on Public Works. p. H6380 (See item 5 under Senate)

SENATE

4. AGRICULTURAL APPROPRIATIONS AMENDMENT; FOOD STAMPS. Sen. McGovern submitted Amendment No. 763 to HR 17923, Agriculture Appropriations bill for F 1971, to fully fund the Food Stamp program at the $2 billion authorized last Fall. p. S10550

5. WATERSHED; FHA. Received letter from the Acting Director, BOB, conveying plans for works of improvement on the following:
To Committee on Agriculture & Forestry: Simon Run Watershed, Kans.; West Upper Maple River, Mich.; Moorhead Bayou, Miss.; Upper Bay River, N.C.; Starkweather Watershed, N. Dak.; Grand Prairie Watershed, Oreg.; Poplar River, Wisc.; and Spring Brook, Wisc.
To Committee on Public Works: Upper Ouachita River, Ark.; Crooked Arroyo Watershed, Colo.; Clear Creek, Ill. ; Fish Stream Watershed, Maine; West Branch Westfield River, Mass.; East Upper Maple River, Mich.; Bahala Creek, Miss.; Newlan Creek, Mont.; McKay Rock Creek, Oreg. pp. S10547-48
Received letter from Comptroller General transmitting Farmers Home Admin. report on the savings available to the Government by timing advances of loan and grant funds with actual cash requirements. p. S10548

6. WATER; ENVIRONMENT; POLLUTION. Sen. Jackson gave notice of July 8 final hearing on S. 3354, his bill to amend the Water Resources Planning Act to establish a national land use policy. p. S10551

7. VETERINARY MEDICINE. Sen. Mondale praised the contribution of veterinary medicine to the health of man and inserted a letter from the Dean of the Minnesota College of V.M. which expresses concern over the Administration attitude towards veterinary medicine. pp. S10554-55

and application of means to rid our coastal waters of this pest. I therefore urge my colleagues to support the passage of H.R. 12943.

(Mr. PELLY asked and was given permission to revise and extend his remarks.)

The SPEAKER pro tempore. The question is on the motion of the gentleman from Michigan that the House suspend the rules and pass the bill H.R. 12943.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. HUNT. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. HAYS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 198]

Adams	Foreman	O'Neill, Mass.
Anderson, Ill.	Frelinghuysen	Ottinger
Anderson, Tenn.	Frey	Passman
Ashbrook	Gallagher	Pettis
Ashley	Gilbert	Pickle
Aspinall	Goldwater	Poage
Baring	Green, Pa.	Pollock
Barrett	Griffiths	Powell
Bell, Calif.	Halpern	Pryor, Ark.
Berry	Hansen, Wash.	Purcell
Betts	Harrington	Rarick
Bevill	Harsha	Reid, Ill.
Biaggi	Hastings	Roberts
Bingham	Hawkins	Robison
Blatnik	Hébert	Roe
Boggs	Hogan	Rogers, Colo.
Bolling	Hosmer	Rooney, N.Y.
Brasco	Ichord	Ruppe
Brock	Johnson, Pa.	St Germain
Brooks	Jonas	Sattlefield
Broomfield	Jones, Tenn.	Saylor
Brown, Calif.	Kirwan	Schadeberg
Burleson, Tex.	Landrum	Scheuer
Burlison, Mo.	Leggett	Shipley
Burton, Utah	Lloyd	Shriver
Bush	Long, La.	Sikes
Cabell	Lowenstein	Stanton
Carey	Lujan	Steed
Cederberg	McCulloch	Sullivan
Celler	McDade	Symington
Clark	McDonald, Mich.	Talcott
Clay	McEwen	Teague, Calif.
Collier	McFall	Tunney
Colmer	Macdonald, Mass.	Udall
Conyers	Madden	Vander Jagt
Corbett	Mann	Watkins
Coughlin	Martin	Watson
Daddario	Mathias	Weicker
Dawson	May	Whalley
de la Garza	Meskill	Whitten
Delaney	Michel	Widnall
Diggs	Mikva	Wiggins
Edmondson	Mills	Williams
Edwards, Ala.	Minshall	Wilson, Charles H.
Edwards, Calif.	Mollohan	Wold
Edwards, La.	Morton	Wright
Eilberg	Moss	Wyatt
Farbstein	Murphy, N.Y.	
Findley	Nichols	
Flowers	Obey	
Ford, William D.	O'Neal, Ga.	

The SPEAKER. On this rollcall 282 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CURBING TEXTILE IMPORTS

(Mr. BROYHILL of North Carolina asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BROYHILL of North Carolina. Mr. Speaker, I would like to place in the CONGRESSIONAL RECORD the following column by James J. Kilpatrick regarding the need for the passage of legislation to curb textile imports. I would like to recommend Mr. Kilpatrick's comments to my colleagues and to express my hearty agreement with his views.

The article follows:

HIGH TIME TO PLACE CURBS ON IMPORTS FROM JAPAN

(By James J. Kilpatrick)

With the collapse last week of textile trade agreement talks with Japan, Congress has but one course left open to it: This is to smack the Japanese with what is known in the trade as the Mills bill. And high time!

Granted, this is not a pleasant prospect for members of Congress who are dedicated to reducing trade barriers, not to raising them. Approval of the Mills bill would be a step backward from the lofty goal of free commerce envisioned under the International General Agreement on Trade and Tariffs. If protective quotas are granted to the textile-apparel industry, other industries hurt by foreign competition will be crying, "me, too."

There is this further objection, that by imposing even the mild and reasonable restraints proposed in the Mills bill, the United States would subject its diplomatic relations with Japan to additional strain. The leaders of last week's massive anti-government riots in Tokyo, protesting extension of the two nations' security treaty, presumably would pick up wider popular support.

Yet the case for a quota system, intended to protect the domestic textile-apparel industry, is supported by compelling evidence. And the record of patient efforts to reach a voluntary agreement suggests that the Japanese propose to stall indefinitely.

Time has run out. The U.S. industry is in deep trouble. Its profits are down. Employment has declined by 65,000 workers in the past 15 months. New capital investment has dropped sharply over the past year. The number of closed plants is increasing. The gloomy picture is almost entirely the result of one cause: The dramatic increase in textile imports.

Dramatic is the word for it. The picture began to change as far back as 1957, when textile imports for the first time exceeded our exports. Now the imbalance amounts to $1.4 billion annually; and more than a third of this imbalance winds up in the hands of Japanese. In the past five years, the volume of textile imports has tripled. If the increase is merely alarming in cotton and wool, it is staggering in the field of man-made fibers.

Several elements account for the situation. Primarily, the imbalance results from wage differentials. The typical American textile worker earns $2.43 an hour; his counterpart in Japan gets 53 cents. In Korea and Taiwan, the figure is 11 cents. The suit that is mail-ordered from Hong Kong is sewn together by tailors paid 25 cents an hour.

Another significant factor lies in trade policies here, and trade policies there. The Japanese, while they adamantly oppose quotas anywhere else, impose relentless import restrictions of their own. Within the European Economic Community, the same picture obtains. No nation in the world has a freer policy on imports than the U.S. As a consequence, one-third of Japanese production goes to American buyers.

Finally, Japanese manufacturers operate without the restraints of anti-trust law. Nothing prevents them from entering into price and market agreements that would be patently illegal here. It is a great convenience not to have a Justice Department breathing down one's neck.

The Mills bill, sponsored by Rep Wilbur Mills, D-Ark., and 200 other members of the House, would put a ceiling on imports of textiles, apparel and footwear geared to the levels of 1967–68. These limits would be adjusted annually to reflect increases or decreases in domestic consumption. A more reasonable or more generous policy scarcely could be proposed.

Opponents of the Mills bill contend that the effect of even thes mild limitations would be to raise the price of goods to the American consumer. It could happen, but the remarkable record of price stability within our domestic industry suggests otherwise. In any event, the consequences of continued inaction are as visible as a mini-skirt but much less attractive. Free trade is like peace: it is wonderful. But peace at any price is no bargain, and neither is free trade that imposes a ruinous cost on industry here at home.

(Mr. BROYHILL of North Carolina asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

[Mr. BROYHILL of North Carolina's remarks will appear hereafter in the Extensions of Remarks.]

CUSTOM SLAUGHTER EXEMPTION UNDER FEDERAL MEAT INSPECTION ACT

Mr. FOLEY. Mr. Speaker, I move to suspend the rules and pass the bill (S. 3592) to amend the Federal Meat Inspection Act, as amended, to clarify the provisions relating to custom slaughtering operations.

The Clerk read as follows:

S. 3592

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Meat Inspection Act (34 Stat. 1260, as amended by the Wholesome Meat Act, 81 Stat. 584), is hereby amended by deleting the proviso from paragraph (a) of section 23 of the Act, and the colon preceding said proviso, and substituting therefor the following: "; nor to the custom preparation by any person, firm, or corporation of carcasses, parts thereof, meat or meat food products, derived from the slaughter by any person of cattle, sheep, swine, or goats of his own raising, or from game animals, delivered by the owner thereof for such custom preparation, and transportation in commerce of such custom prepared articles, exclusively for use in the household of such owner, by him and members of his household and his nonpaying guests and employees: *Provided,* That in cases where such person, firm, or corporation engages in such custom operations at an establishment at which inspection under this title is maintained, the Secretary may exempt from such inspection at such establishment any animals slaughtered or any meat or meat food products otherwise prepared on such custom basis: *Provided further,* That custom operations at any establishment shall be exempt from inspection requirements as provided by this section only if the establish-

ment complies with regulations which the Secretary is hereby authorized to promulgate to assure that any carcasses, parts thereof, meat or meat food products wherever handled on a custom basis, or any containers or packages containing such articles, are separated at all times from carcasses, parts thereof, meat or meat food products prepared for sale, and that all such articles prepared on a custom basis, or any containers or packages containing such articles, are plainly marked 'Not for Sale' immediately after being prepared and kept so identified until delivered to the owner and that the establishment conducting the custom operation is maintained and operated in a sanitary manner."

The SPEAKER. Is a second demanded?

Mr. BELCHER. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Washington is recognized for 20 minutes.

Mr. FOLEY. Mr. Speaker, I yield myself such time as I may consume.

(Mr. FOLEY asked and was given permission to revise and extend his remarks.)

Mr. FOLEY. Mr. Speaker, in 1967 Congress passed landmark consumer legislation in the enactment of the Wholesome Meat Act. That act, which updated the Federal Meat Inspection Act in its first major amendment since 1906, contained a provision relating to custom slaughtering operations. That provision permitted custom slaughtering to be carried on for the benefit of private customers for their use, the use of their families, nonpaying guests, and employees.

But the exemption for custom slaughtering contained a restriction that prohibited, as later interpreted by the Department, such custom slaughterers from engaging in the sale of any meat or meat products.

In many areas of the United States especially in rural areas so-called locker plants, and other custom slaughtering operations have been carried on side-by-side with the sale of inspected meat and meat products. This act would clarify the 1967 act and permit such simultaneous operations in the sale of inspected meat products, if certain conditions are met. The conditions are that the custom slaughterer must provide complete separation in his facility of those meat and meat parts that are slaughtered for the custom customer and those inspected meat products for sale to the public. In addition the custom slaughtered or processed meat must be clearly identified as "not for sale." Proper sanitation standards must be met at all times and proper records kept for examination.

This bill also provides authority for the custom slaughtering of game animals so that hunters and sportsmen who may wish to have game animals slaughtered in this fashion will be able to do so.

This amendment is not a weakening of the 1967 act, but indeed in providing continued opportunity for safe sanitary custom slaughtering of farm and game animals this amendment aids consumer protection, a clarification of it; hearings were held before the Subcommittee on Livestock and Grains of the Agriculture Committee without any opposition. A similar bill has been passed by the Senate and is the bill before the House today. When the Senate bill was considered by the committee of the other body, various consumer groups testified in support of it.

I am sure that many Members of the House will note with approval that the gentleman from Iowa (Mr. SMITH) who is perhaps the leading advocate of tight Federal meat inspection in the Congress and who was the principal sponsor of the 1967 Wholesome Meat Act, is a cosponsor of this legislation. I think it is a useful amendment to the law. It would clarify the position of the custom slaughterers so that they may continue to perform services that are needed in many rural areas, doing so under proper conditions that will be supervised by the Secretary of Agriculture for the full protection of the public.

Mr. Speaker, I reserve the balance of my time.

Mr. DENNEY. Mr. Speaker, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Nebraska.

Mr. DENNEY. Mr. Speaker, I rise in support of this bill. In my district there are 17 of these custom slaughterers. I think there was an oversight. I agree with the Clean Meat Inspection Act we passed before, but definitely the local people will police these small quality plants.

I think this is an excellent bill. I rise in support of it and urge all Members to vote in favor of it.

Mr. FOLEY. Mr. Speaker, I thank the gentleman from Nebraska.

Mr. QUIE. Mr. Speaker, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Minnesota.

Mr. QUIE. Mr. Speaker, I rise in support of this bill.

Passage of this bill is essential if smaller communities across the Nation are to continue having the services of custom meat slaughterers.

I have introduced similar legislation, H.R. 16908, which was the subject of subcommittee hearings.

The custom meat slaughterer often sells inspected meat in a meat market and also operates a locker freezing plant where community resident and area farmers can have livestock butchered and frozen for their own personal use. There is not enough financial gain in either portion of the business to maintain it alone. Therefore, if the prohibition against custom slaughterers and the sale of inspected meats contained in the Wholesome Meat Act were allowed to stand, these small businessmen would have to close their doors.

Mr. Speaker, this legislation has brought letters of support from all across my congressional district. I submit for the consideration of my colleagues a letter I received from the president of the Minnesota Farm Bureau and letters from two Farmers' Union locals:

MINNESOTA FARM BUREAU FEDERATION,
Saint Paul, Minn., January 29, 1970.

Hon. ALBERT H. QUIE,
House of Representatives,
Washington, D.C.

DEAR AL: We are concerned with present federal laws pertaining to meat inspection. I am referring to the Wholesome Meat Act of 1967.

As is sometimes the case, we feel it is too far-reaching. Although legislation in this area has been long overdue, it does overlook the inability of many states to get geared up in the alloted length of time to meet requirements, which can cause us in Minnesota many problems where the small, private, custom slaughter is concerned. We feel these people do fill a very necessary need in our communities, therefore, I would appreciate your considering the Curtis amendment, or a similar one, dealing with this most important matter. Many thousands of rural people are affected; plus the fact that host of city people have learned of the satisfactory dealing with these small-town and community shops.

I would appreciate your giving this area your careful consideration.

Thank you, Al.

Very truly yours,

CARROLL G. WILSON,
President.

FARMERS UNION, HAYFIELD LOCAL,
DODGE COUNTY,
Hayfield, Minn., February 5, 1970.

DEAR REPRESENTATIVE QUIE: I understand that the Wholesome Meat Act of 1967 has a section in it that prohibits farmers from having their slaughtering and meat processing done as a custom service in small town locker plants. Is this so?

If this is so, how do these law makers expect us farmers to process our animals for our own eating? Are we going to have to go back to the days when we did our own butchering and cut the meat up on the kitchen table, or hung a half a beef in the woodshed to freeze in the winter?

I am asking you to look into this matter and do your best to change that section in the bill so we as farmers can continue to get the custom service for meat processing we have had in the past from these small town locker plants. Thank you.

Sincerely,

ROBERT BEAVER.

FARMERS UNION, A. & M. OF ADAMS
LOCAL, MOWER COUNTY,
Taopi, Minn., February 10, 1970.

HON. ALBERT QUIE,
House of Representatives,
Washington, D.C.

DEAR SIR: We, the members of the A and M Adams Local, Mower County, Minnesota, wish to submit our signatures to show our interest and concern in the Wholesome Meat Act Amendment, Section 23(a) introduced in Congress Identified in the Senate as S. 2983 Identified in the House of Representatives as H.R. 14457.

Will you please act in favor of these bills.

Thank you.

Sincerely,

Mrs. Maxine Minnihan, Secretary of A. & M. Adams Local; Mr. W. J. Minnihan, Mr. Henry Himebaugh, Mr. and Mrs. David Gilderhus, Mr. and Mrs. Merle Hatle, Mr. and Mrs. Otto Flo, Mr. and Mrs. George Adams, Mr. and Mrs. Vernon Smith, Mr. Art Peterson.

I am also submitting a letter from a housewife who makes a very strong case for continued operation of small meat market custom slaughterer operations:

FEBRUARY 6, 1970.

DEAR SIR: Why are you people in Washington trying to pass laws forcing our meat markets in small towns to close. I'm sure they're just as sanitary as any meat market in the larger cities or people would not patronize them.

Where are the farmers and local people suppose to get there meat processed? We haven't the time and certainly can't afford to drive 40 or 50 miles every week for meat. Why not help these small towns to stay alive or do you people think we should all move to the big city ghettos?

We elect you people to help us—not to help the big to get bigger and richer.

Why don't you stop by Wabasha and see all the improvements our local meat market did about a year ago and we were so proud—now that isn't even good enough.

Another reason why I think they outrate our big city meat market; we have quite a few friends and relatives who come here and like to buy sausage and meat because it tastes so much better. What they buy seems so old and tough.

And that's how our Congressmen are helping us. Please try to work harder for us in small towns and localities as we do pay our share of taxes also.

Sincerely yours,

MRS. NORBERT MARX.

WABASHA, MINN.

In conclusion, Mr. Speaker, I submit a letter from the president of the Brownsdale Meat Service, Inc., and a copy of the advertisement he placed in local newspapers. This advertisement was very effective and brought many letters, of which I am submitting three examples:

BROWNSDALE MEAT SERVICE.

January 31, 1970.

Representative AL QUIE,
House of Representatives,
Washington, D.C.

DEAR MR. QUIE: As an owner of a small meat processing plant I am concerned for the future of my business and that of thousands of other locker and freezer provisioning establishments throughout the country. This industry has been of service to its small communities for many years and are now forced with regulations that could force many of us to close our doors. We are now and have been providing our customers with a wholesome product.

The Wholesome Meat Act of 1967 unwittingly included a provision, known as Section 23(a) that effectively prohibits us from in engaging in the meat business if we perform custom services for farmers. This provision can be changed by the proposed amendment, Senate bill S. 2983 and House bill H.R. 14457. The adoption of these amendments in no way would weaken the purpose of the meat inspection program ie: to provide clean wholesome meat, processed in a sanitary manner. It would allow thousands of small independent businesses to exist and be of service to their communities in Rural America.

Our Minnesota State Inspection Program incorporates some of the provisions that are in these two amendments and allows us to sell inspected meats and perform custom services for the farmers of Minnesota. But we need this provision included in the Wholesome Meat Act so that our Minnesota program will be excepted by USDA and our State will share in the funds available for the administration of the State Program.

If you are concerned in the future of many of the nations small businesses that are the main enterprise in many small towns I ask your support in getting these bills out of committee and for their passage on the floor.

Yours truly,

EUGENE GERHARDT,
President.

A MESSAGE FROM THE BROWNSDALE MEAT SERVICE

DEAR FRIENDS: We are faced with a very serious situation that we would like you to know about.

For many years our firm, like the thousands of other locker and freezer provisioning establishments throughout the country, has been serving its customers in various ways. Two things that all of us in the industry have in common are the following:

(1) *We sell inspected meat,* supplying sides, quarters and various other cuts of meat to household customers according to their instructions.

(2) *We perform custom services* for farmers, processing and freezing meat from farm-slaughtered animals so that farm people may consume animals they raise.

Selling inspected meat and performing custom services for farmers naturally go together. The combination of these activities, which involve the use of the same personnel, facilities and equipment, has made it possible for us to operate at a reasonable profit through the years while serving our customers.

Now, the very existence of our business and that of thousands of locker and freezer provisioners is threatened. When Congress passed the Wholesome Meat Act of 1967, it unwittingly included a provision, known as Section 23(a), that effectively prohibits us from engaging in the meat business if we perform custom services for farmers. This means that our firm and thousands like us throughout the nation are being forced to discontinue one or the other of our traditional services. Since we can't possibly exist on only part of our business we will be forced to close our doors.

A proposed amendment to Section 23(a) of the Wholesome Meat Act that would solve this problem has been introduced into Congress. In the Senate, the bill is sponsored by Senators Carl Curtis and Roman Hruska of Nebraska and is identified as S. 2983. A similar bill has been introduced into the House of Representatives by Congressman Tom Kleppe of North Dakota, and is known as H.R. 14457. If we can convince Congress to act favorably on these bills, our problem will be solved without in any way weakening the meat inspection program.

If *you are concerned about this* and are interested in seeing to it that our services continue to be available to you, we ask that *you assist us by writing to your Congressman and Senators about this matter.*

We hope that we can count on you for help.

Sincerely yours,

BROWNSDALE MEAT SERVICE.

FIRST AMERICAN STATE BANK OF
BROWNSDALE, MINN.,

February 5, 1970.

Representative ALBERT H. QUIE,
House of Representatives,
Washington, D.C.

DEAR AL: We have a meat locker in our village that performs custom services for farmers in the area, such as processing their meat for them from their own animals that they have slaughtered; and they also sell inspected meat to household customers.

It is my understanding that under the Wholesome Meat Act of 1967, Section 23A, they would be prohibited from performing both these services. It is also my understanding that there has been an amendment to Section 23A that could correct this problem.

I am sure that many small communities in our state are similar to us in the respect that this is one of our main industries, and it would be a severe handicap to our community if they could not continue to perform both services.

I would therefore urge you that the best interest of the people in the State of Minnesota could best be served by your favorable support on this amendment.

Sincerely yours,

FIRST AMERICAN STATE BANK,
DALE C. MADISON, *President.*

SARGEANT, MINN.

Congressman QUIE.

DEAR SIR: I am sending you an article, which was in our small local paper.

Will you please look into this and use your influence in helping to pass these bills.

If we lose these small lockers, and our big chain stores get to sell the meat, then we will have to pay more for it, and it seems to me it is high enough as it is.

Thank you.

Sincerely,

MRS. OSCAR JOHNSON.

WALTHAM, MINN.,

February 5, 1970.

Hon. ALBERT QUIE:

As a farmer's wife I am concerned that we are able to receive the services of our local locker and freezer plant in the future as we have in the past years. It is by far better that we have our meat processed by the methods of an experienced plant than to try to do our own at home under much less desirable conditions. It is also important that the Browndale Meat Service can continue selling meat to customers that don't wish to buy their meat in a super market because as a farm raised boy yourself, I am sure you have noticed the difference in quality and also the variety one gets from a whole beef or hog compared to the few cuts one would purchase in a super market. I would appreciate whatever you can do in Congress so that we can continue having our own farm raised animals processed at our local locker plant and that they can also continue to serve the people who wish to purchase processed meat from the locker plant.

Sincerely yours,

MRS. RAEBURN HANSON.

I urge approval of this legislation so that these communities will not lose the services of a custom slaughterer.

(Mr. QUIE asked and was given permission to revise and extend his remarks.)

Mr. NELSEN. Mr. Speaker, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Minnesota.

Mr. NELSEN. Mr. Speaker, I thank the gentleman for yielding.

I would like to point out that when the original bill was passed, some of us had some concern about the fact that the bill might be detrimental to the interests of some of the small processors that give rural America great assistance. True enough, it did. The interpretation was too strict.

Under the terms of this bill, as pointed out, none of the sanitation measures are overlooked. It is a matter of trying to accommodate this situation, that will permit small processors to serve rural America as they have been served in the past.

I have introduced a companion bill to the one now under discussion, I congratulate the gentleman on the floor who has introduced this bill along with the gentleman from Iowa (Mr. SMITH) and others, we hope proper accommodations have been provided and clarified.

Mr. BELCHER. Mr. Speaker, I yield 5 minutes to the gentleman from North Dakota (Mr. KLEPPE).

Mr. KLEPPE. Mr. Speaker, I compliment the gentleman from Washington for his remarks in explaining the bill and I wish to indicate very specifically that this does not weaken our meat inspection law.

The amendment to the Wholesome Meat Act of 1967 which is before us today was unanimously approved by the House Agriculture Committee following its passage by the Senate.

Essentially what the amendment does is to permit plant operators to engage in both custom slaughtering and retail meat sales, if they keep the products segregated and meet sanitary standards. I emphasize that it would not lower sanitary standards.

Without this amendment, many North Dakota freezer locker operators may have to close down because they cannot operate profitably if they are restricted solely to custom slaughtering or retail meat sales. There are 193 such small operators in our State that would be subjected to the law who will be taken care of under this amendment.

North Dakota is the first State in which all meat offered for sale must be federally inspected. The Federal takeover of inspection became effective June 23. Many other States, which were given an additional year to raise their meat inspection standards to the Federal level, face the prospect of Federal takeover of all meat inspection at the end of 1970. Within those States, literally thousands of small plant operators may be forced out of business unless this amendment is approved.

North Dakota meat processors had sought an injunction in Federal district court to prevent the Federal meat inspection takeover. This was denied. The Eighth Circuit Court of Appeals subsequently turned down a motion for a stay order pending appeal of the district court ruling. As the Members will notice in the report:

> The committee is also aware of the imminent deadline of June 23, 1970, when Federal inspection is scheduled to go into effect in the State of North Dakota. The committee, therefore, urges the Secretary to exercise reasonable administrative discretion in enforcing the custom slaughter provisions of the act until such time in the near future when the House has an opportunity to work its will upon this legislation.

Mr. Speaker, I think this is a very important provision and a very important statement in the report. This makes it especially urgent that the amendment to the Wholesome Meat Act be approved by the House today and sent along to the President for his signature. I know of no serious opposition to the amendment itself, which has the approval of the U.S. Department of Agriculture. Therefore, I strongly urge that the amendment be adopted.

Mr. ANDREWS of North Dakota. Mr. Speaker, will the gentleman yield?

Mr. KLEPPE. I yield to the gentleman from North Dakota.

Mr. ANDREWS of North Dakota. Mr. Speaker, I wish to associate myself with the remarks of my distinguished colleague, the gentleman from North Dakota, and point out to the House that at isue here is the basic right of the small businessman to continue in operation. This is about the small man who makes a net income of $5,000 or $6,000 a year, half from the retail sales and half from the custom slaughtering. He is forced under the present act—which was certainly not the intent of Congress—to close his doors. If he has to close his doors, it means poor quality meat will be sold in these communities.

This was certainly not the intent of the Congress when the Federal Meat Inspection Act originally passed.

This amendment is vitally needed.

The purpose of the amendment is simply to allow meat processors who are custom slaughterers to buy and sell meat at retail on the same premises as they slaughter.

It is, of course, the clear intent of this bill that nothing in it will be construed to weaken in any way the protection that the act affords consumers, and all the meat that is sold must be Government inspected.

On June 23, North Dakota was the first State in which the Federal Government took over meat inspection duties. The purpose of the Wholesome Meat Act as passed by the Congress in 1967 was to protect the health of the consumer by insuring that the meat that was sold across the counter was indeed clean. As happens so often with acts of Congress, however, the administration of the law in its early application has revealed weaknesses and drawbacks which could not have been envisioned beforehand. The law has created undue hardships and penalties for small meat processors that surely were not the intent of Congress.

I have received assurances of cooperation from USDA with regard to application of that section of the Wholesome Meat Act to be affected by this amendment. In the House Agriculture Committee report which accompanied the bill to the floor, the committee urged that the Secretary of Agriculture exercise reasonable administrative discretion in enforcing the custom slaughter provisions of the act until such time in the near future when the House has an opportunity to work its will upon this legislation.

The government of North Dakota was not able to provide evidence to the Federal Government that it was able to move in compliance with Federal regulations. The Federal Government therefore took over the job of meat inspection in our State, making us a proving ground for the act. The act is proving to be a ruinous and tragic law for many small, custome slaughterers whose livelihood rests jointly on the business of custom slaughtering and retail sale of meat. Forbidden to engage in both practices, these small operators are finding they cannot make a living in either one alone. As they are forced out of business, they and the communities they serve, are the victims of this testing period that all major legislation must go through.

The Wholesome Meat Act was passed to help insure wholesome meat products for consumers. It was not the intent of Congress to put small meat processors who are providing an essential service to their communities out of business.

The passage of the amendment would not impair the thrust of the law, but it will help the small meat processor in North Dakota or any other State that, in the future, fails to meet Federal regulations to stay in business to continue to serve the consumer with a high quality product.

(Mr. ANDREWS of North Dakota asked and was given permission to revise and extend his remarks.)

Mr. KLEPPE. I thank the gentleman for his comments.

[Mr. ZWACH addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. KLEPPE. I yield to the gentleman from Iowa.

Mr. GROSS. I, too, join the gentleman from North Dakota in saying this is a proviso that ought to have been in the original law. I am glad that is now being adopted.

Mr. KLEPPE. I thank the gentleman for his statement.

(Mr. KLEPPE asked and was given permission to revise and extend his remarks.)

Mr. BELCHER. Mr. Speaker, I yield such time as he may consume to the gentleman from Kansas (Mr. SEBELIUS).

(Mr. SEBELIUS asked and was given permission to revise and extend his remarks.)

Mr. SEBELIUS. Mr. Speaker, I appreciate this opportunity to discuss proposed amendments to the Federal Meat Inspection Act included in S. 3597.

Presently, the Federal Meat Inspection Act provides an exemption for custom slaughtering—the slaughter of an animal and the preparation of its meat by one person for another. This exemption, however, is contingent upon the custom slaughterer not engaging in the business of buying or selling any meat or meat products whatsoever.

S. 3592 simplifies administration of this act without reducing consumer protection. This legislation changes the exemption to permit custom slaughterers to conduct a separate inspected meat business. It also provides that the Secretary of Agriculture could exempt custom slaughtering and processing performed by an inspected establishment. For consumer protection, the custom slaughtered articles must be marked "Not for Sale!" and separate a tall times from articles prepared for sale.

In many areas of the country, a single establishment provides both custom slaughtering and custom processing. They also purchase inspected carcasses from larger federally inspected plants and process the carcasses for wholesale and retail trade. Many such establish-

ments depend on both types of operations for survival.

In many cases, the volume in these locker plants is not sufficient for them to continue operation as a processor alone. Without enactment of this legislation, many communities will be deprived of a frozen food locker facility. This development would have yet another adverse effect on our rural areas, another step in hastening the rural migration of our citizens to our overcrowded urban areas.

Everyone supports the principle of a clean, wholesome product as specified in the Wholesome Meat Act. Approval of S. 3592 would mean absolutely no loss of consumer protection. The effect would sustain a vital community service and would protect the consumer's local outlet for fully inspected meat and meat food products.

Mr. BELCHER. Mr. Speaker, this is a good bill. It has been needed ever since the meat inspection act was passed. I am completely in support of this bill.

Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT. Mr. Speaker, I rise in support of the bill.

I appreciate the gentleman yielding. The bill under consideration is similar to H.R. 16895 which I sponsored. It is intended to correct an oversight in the Federal Meat Inspection Act which at present prevents a person performing custom slaughtering from selling any meat or meat product. This change, it is hoped, will be of benefit to the person who raises his own livestock and takes it to the local locker plant to be butchered. Under the changes brought about by the bill under consideration, the Secretary of Agriculture could exempt the locker plant which butchered animals from the current prohibition on custom slaughtering and allow him to continue processing, buying, and selling inspected meat products. His public customers, of course, would continue to be protected as any meat prepared for a private individual would have to be clearly marked as "not for sale" and would have to be clearly separated from inspected meat and meat products that are offered for sale to the public.

As previously stated, this bill will be of benefit to the person who raises his own stock as well as to the hunter who desires to have his game animals suitably prepared by a custom slaughterer. I hope the House will act favorably upon the measure.

(Mr. SCOTT asked and was given permission to revise and extend his remarks.)

Mr. BELCHER. Mr. Speaker, I yield such time as he may consume to the gentleman from Idaho (Mr. MCCLURE).

(Mr. MCCLURE asked and was given permission to revise and extend his remarks.)

Mr. MCCLURE. Mr. Speaker, I rise in support of the bill. I want to express my very strong support of this bill, the so-called Clean Meat Act has imposed hardships on small operators, many of whom were wholly or substantially serving the custom slaughter trade. While those who supported that bill now claim that it is regulations and interpretation that have caused the difficulties which this bill seeks to correct. I think it is only fair to remind them that many of us tried to tell them then what would happen. In their messianic zeal they blinded themselves to the facts and refused to listen to any warnings. Their bill was perfect, we were told, and our fears unjustified. Today they are conceding that correction is needed but are unwilling to admit their own responsibility for the problem.

This bill is both justified and needed. It does correct one of the glaring errors of the original legislation.

Mr. BELCHER. Mr. Speaker, I yield such time as he may consume to the gentleman from Kansas (Mr. WINN).

(Mr. WINN asked and was given permission to revise and extend his remarks.)

Mr. WINN. Mr. Speaker, I am very pleased that we are today correcting an inequity in the Wholesome Meat Act which, had it been allowed to remain, would have forced a number of small meat processors in my district out of business. I refer to that provision which restricted the custom slaughterer from engaging in the business of buying or selling any meat or meat products.

After we had passed the Wholesome Meat Act, I was advised by several freezer and locker provisioners in my district that they would be forced to close because of the need to make a choice of whether to do custom work exclusively, eliminating all selling of meat, or doing commercial work, eliminating custom work. This provision had nothing whatever to do with improving the sanitary conditions in the industry which was the overall intent of the legislation but appeared to be an oversight in the preparation of the bill. I vigorously support the enactment of S. 3592, providing for this corrective amendment to the Federal Meat Inspection Act.

Mr. BELCHER. Mr. Speaker, I have no further requests for time.

Mr. FOLEY. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Iowa (Mr. SMITH).

Mr. SMITH of Iowa. Mr. Speaker, I support this legislation. I want to commend the Members of the committee, the gentleman from Washington (Mr. FOLEY) and the gentleman from Oklahoma and others for the work that has been done on this. It has been carefully worked out so as to cure a defect in the interpretation of the law and at the same time to give the protection and relief that is needed to those concerned.

Mr. Speaker, I support H.R. 16485, a bill I have cosponsored to amend the Wholesome Meat Act.

This bill clarifies the 1967 law and writes into law some strengthening or protective provision which might otherwise have been in regulations. H.R. 16485 would not change the intent of that law. It would not cost any additional money. It would, in fact, do what the U.S. Department of Agriculture originally stated that it could do by regulation. Passage of this bill is needed, however, to avoid working an unnecessary hardship on establishments which sell meat and meat food products to the general public and also engage in custom slaughtering operations—that is, the slaughtering of livestock for the owner who plans to consume it on the family table.

After the Wholesome Meat Act became law, a number of locker plant operators who handle meat on a custom basis and also sell some inspected meat at retail made inquiries regarding how it would apply to custom slaughtering operations. The Department's original position was that custom slaughtering would be permitted, by regulation, under section 5 of the act, which provides general authority for the entry into inspected plants of "carcasses, parts of carcasses, meat and meat food products, and other materials" under such conditions as are consistent with the purposes of the act. The Department later decided, however, that the term "carcasses" in section 5 applies only to livestock slaughtered prior to entry into the plant and, therefore, that a live animal cannot be allowed into a plant for custom slaughtering operations where meat is also sold even though the meat sold is handled in full compliance with the Federal meat inspection standards and came from an inspected slaughterer.

The Department also has given a strict interpretation to section 11 of the 1967 law, which added a new section 23(a) to the original Federal Meat Inspection Act. Section 23(a) now provides, in part, that custom slaughtering operations shall be exempt from inspection provided the custom operator does not engage in the buying or selling of meat or meat food products capable of use as human food. Many locker plants are engaged in both custom slaughtering and in preparing and selling meat to the general public, and because of the Department's present interpretation of the law it is necessary to revise section 23(a). Otherwise, those plants selling meat to the general public will be able to handle custom meat slaughtered outside the plant under less than high standards but not be able to handle meat slaughtered in the plant under top sanitary conditions.

This legislation will also protect the consumers who purchase meat from such an establishment. H.R. 16485 specifically provides that all meat prepared on a custom basis shall be kept separate at all times from meat prepared for sale to the general public, and that the custom prepared meat be marked "not for sale" until it has been delivered to its owner. These provisions could have been included in regulations but were not spelled out in the 1967 law, and so the bill does contain an added measure of consumer protection.

As the subcommittee knows, the Senate has already passed legislation, S. 3592, which deals with custom slaughtering operations. The Senate passed bill is identical to H.R. 16485, except for one technical amendment which makes clear that all custom operations, whether conducted at inspected or noninspected establishments, shall be subject to regulations requiring separation and marketing of custom prepared meat. This will provide added assurance that meat prepared on a custom basis is returned to

the owner and not sold to the general public, and I recommend to the subcommittee that H.R. 16485 be amended to conform to the bill as passed by the Senate.

Since the provisions of the Wholesome Meat Act relating to intrastate operations become fully effective on December 15 of this year and since some States are already affected, this legislation should be passed as quickly as possible so that operators who are bringing their plants up to Federal standards will know where they stand with regard to custom slaughtering operations and so that State officials will be aware of the requirements in advance. This bill has broad support and contains nothing which could be considered controversial except by someone who still opposes the 1967 act or hopes that preventing this clarification will help to secure an extension of the effective date. I do oppose any extension of the effective date of December 15, 1970, but I am hopeful that H.R. 16485 will be given prompt and favorable consideration.

Thank you.

(Mr. SMITH of Iowa asked and was given permission to revise and extend his remarks.)

Mr. PRICE of Texas. Mr. Speaker, as a representative of a major beef producing section of the Nation, I am greatly interested in the bill before the House today which would amend the Federal Meat Inspection Act and clarify its provisions relating to custom slaughtering operations.

The purpose of this bill is to improve the effectiveness of the Federal meat inspection program. It would, among other things, permit custom slaughterers to buy and sell inspected meat and meat food products without losing the exemption they currently have under the act.

The present law provides an exemption for custom slaughtering. This exemption is, however, dependent on the custom slaughterer not engaging in the business of buying or selling any meat or meat products whatsoever.

My colleagues on the Livestock and Grains Subcommittee, of which I am a member, have been quite concerned about the operation of this particular law. We feel its application works undue hardships in many instances. For my part, I have found this to be particularly true in the Texas Panhandle because there it is a common practice for small businessmen who employ standards equivalent to the Federal regulations to kill and dress animals for local customers.

In my opinion, the Federal Government has acted with precious little vision in applying the provisions of the Federal Meat Inspection Act to custom slaughterers. For under this law as it is now written, these small businesses would have to either cease providing this local and personal service or they would have to submit to the disproportionately costly and unwieldy Federal inspection process for their custom slaughtering operations. I believe this state of affairs serves neither the interest of the consumer nor the businessman.

It is significant to note this problem is such that both the subcommittee and the full committee unanimously approved the bill. They did so because the bill accomplishes two major objectives. It recognizes and protects the special needs of the custom slaughterer. And it continues to maintain the standards of consumer protection established by the Federal Meat Inspection Act. Among other things, the bill makes the custom slaughterer exemption for retail and businesses dependent on those businesses buying and selling inpected meat and meat product. It also requires the slaughterer to physically segregate the custom-slaughtered meat, the inspected meat and meat products offered for sale to the public.

Mr. Speaker, I urge my colleagues to support the bill before the House. It is fairly drawn and is reasonably calculated to meet the needs of both private enterprise and the American consumer. It is nonpolitical and nonpartisan. It is a bill which in justice and in equity should be passed by this Congress.

Mr. FOLEY. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion of the gentleman from Washington that the House suspend the rules and pass the bill S. 3592.

The question was taken.

Mr. O'KONSKI. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 296, nays 2, not voting 133, as follows:

[Roll No. 199]

YEAS—296

Abbitt	Carter	Dulski
Abernethy	Casey	Duncan
Adair	Chamberlain	Dwyer
Addabbo	Chappell	Eckhardt
Albert	Chisholm	Erlenborn
Alexander	Clancy	Esch
Anderson, Calif.	Clark	Eshleman
Andrews, Ala.	Clausen, Don H.	Evans, Colo.
Andrews, N. Dak.	Clawson, Del	Evins, Tenn.
Annunzio	Clay	Fallon
Arends	Cleveland	Fascell
Ayres	Cohelan	Feighan
Beall, Md.	Collins	Fish
Belcher	Conable	Fisher
Bennett	Conte	Flood
Biester	Corbett	Flynt
Blackburn	Corman	Foley
Blanton	Cowger	Ford, Gerald R.
Blatnik	Cramer	Ford, William D.
Boland	Crane	Fountain
Bolling	Culver	Fraser
Bow	Cunningham	Frelinghuysen
Brademas	Daniel, Va.	Friedel
Bray	Daniels, N.J.	Fulton, Pa.
Brinkley	Davis, Ga.	Fulton, Tenn.
Brotzman	Davis, Wis.	Fuqua
Brown, Mich.	de la Garza	Galifianakis
Brown, Ohio	Dellenback	Garmatz
Broyhill, N.C.	Denney	Gaydos
Broyhill, Va.	Dennis	Gettys
Buchanan	Dent	Giaimo
Burke, Fla.	Derwinski	Gibbons
Burke, Mass.	Devine	Gonzalez
Button	Dickinson	Goodling
Byrne, Pa.	Dingell	Gray
Byrnes, Wis.	Donohue	Green, Oreg.
Caffery	Dorn	Griffin
Camp	Dowdy	Gross
	Downing	Grover
Gubser	Macdonald, Mass.	Roth
Gude	Mahon	Roudebush
Hagan	Mailliard	Rousselot
Haley	Marsh	Roybal
Hall	Matsunaga	Ruth
Hamilton	Mayne	Sandman
Hammer-schmidt	Meeds	Scherle
Hanley	Melcher	Schmitz
Hanna	Michel	Schneebeli
Hansen, Idaho	Miller, Calif.	Schwengel
Harvey	Miller, Ohio	Scott
Hathaway	Minish	Sebelius
Hays	Mink	Sisk
Hébert	Mize	Skubitz
Hechler, W. Va.	Mizell	Slack
Heckler, Mass.	Monagan	Smith, Calif.
Helstoski	Montgomery	Smith, Iowa
Henderson	Moorhead	Smith, N.Y.
Hicks	Morgan	Snyder
Hogan	Morse	Springer
Holifield	Mosher	Stafford
Horton	Murphy, Ill.	Staggers
Howard	Myers	Steiger, Ariz.
Hull	Natcher	Steiger, Wis.
Hungate	Nedzi	Stephens
Hunt	Nelsen	Stokes
Hutchinson	Nix	Stratton
Jacobs	O'Hara	Stubblefield
Jarman	O'Konski	Stuckey
Johnson, Calif.	Olsen	Taft
Johnson, Pa.	Patman	Taylor
Jonas	Patten	Teague, Tex.
Jones, Ala.	Pelly	Thompson, Ga.
Jones, N.C.	Pepper	Thompson, N.J.
Karth	Perkins	Thomson, Wis.
Kastenmeier	Philbin	Tiernan
Kazen	Pike	Udall
Kee	Pirnie	Ullman
Keith	Podell	Van Deerlin
King	Poff	Vanik
Kleppe	Preyer, N.C.	Vigorito
Kluczynski	Price, Ill.	Waggonner
Koch	Price, Tex.	Waldie
Kuykendall	Pucinski	Wampler
Kyl	Quie	Watts
Kyros	Quillen	Whalen
Landgrebe	Railsback	White
Langen	Randall	Whitehurst
Latta	Rees	Wilson, Bob
Lennon	Reid, N.Y.	Winn
Long, Md.	Reifel	Wolff
Lujan	Reuss	Wydler
Lukens	Rhodes	Wylie
McCarthy	Riegle	Wyman
McClory	Rivers	Yates
McCloskey	Rodino	Yatron
McClure	Rogers, Fla.	Young
McCulloch	Rooney, Pa.	Zablocki
McKneally	Rosenthal	Zion
McMillan	Rostenkowski	Zwach

NAYS—2

Burton, Calif.	Ryan

NOT VOTING—133

Adams	Edwards, Ala.	Mathias
Anderson, Ill.	Edwards, Calif.	May
Anderson, Tenn.	Edwards, La.	Meskill
	Eilberg	Mikva
Ashbrook	Farbstein	Mills
Ashley	Findley	Minshall
Aspinall	Flowers	Mollohan
Baring	Foreman	Morton
Barrett	Frey	Moss
Bell, Calif.	Gallagher	Murphy, N.Y.
Berry	Gilbert	Nichols
Betts	Goldwater	Obey
Bevill	Green, Pa.	O'Neal, Ga.
Biaggi	Griffiths	O'Neill, Mass.
Bingham	Halpern	Ottinger
Boggs	Hansen, Wash.	Passman
Brasco	Harrington	Pettis
Brock	Harsha	Pickle
Brooks	Hastings	Poage
Broomfield	Hawkins	Pollock
Brown, Calif.	Hosmer	Powell
Burleson, Tex.	Ichord	Pryor, Ark.
Burlison, Mo.	Jones, Tenn.	Purcell
Burton, Utah	Kirwan	Rarick
Bush	Landrum	Reid, Ill.
Cabell	Leggett	Roberts
Carey	Lloyd	Robison
Cederberg	Long, La.	Roe
Celler	Lowenstein	Rogers, Colo.
Collier	McDade	Rooney, N.Y.
Colmer	McDonald, Mich.	Ruppe
Conyers	McEwen	St Germain
Coughlin	McFall	Satterfield
Daddario	MacGregor	Saylor
Dawson	Madden	Schadeberg
Delaney	Mann	Scheuer
Diggs	Martin	Shipley
Edmondson		Shriver

Sikes	Vander Jagt	Williams
Stanton	Watkins	Wilson,
Steed	Watson	Charles H.
Sullivan	Weicker	Wold
Symington	Whalley	Wright
Talcott	Whitten	Wyatt
Teague, Calif.	Widnall	
Tunney	Wiggins	

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. O'Neill of Massachusetts with Mr. Anderson of Illinois.
Mr. Passman with Mr. Ashbrook.
Mr. Rooney of New York with Mr. Cederberg.
Mr. Gilbert with Mr. Broomfield.
Mr. Sikes with Mr. Pettis.
Mr. Shipley with Mr. Burton of Utah.
Mr. Roberts with Mr. Pollock.
Mr. Delaney with Mr. McDonald of Michigan.
Mr. Daddario with Mr. Meskill.
Mr. Celler with Mr. Halpern.
Mr. Brooks with Mr. Findley.
Mr. Biaggi with Mr. Bell of California.
Mr. Madden with Mr. Collier.
Mr. Boggs with Mr. McDade.
Mr. Barrett with Mr. Williams.
Mr. Aspinall with Mr. Martin.
Mr. Brasco with Mr. Harsha.
Mr. Burleson of Texas with Mr. Bush.
Mr. Cabell with Mr. Berry.
Mr. Mills with Mr. Morton.
Mr. Nichols with Mr. Edwards of Alabama.
Mr. Murphy of New York with Mr. McEwen.
Mr. O'Neal of Georgia with Mr. Mathias.
Mr. Pickle with Mr. Foreman.
Mr. Edwards of California with Mr. Hosmer.
Mr. Edmondson with Mr. Lloyd.
Mr. Gallagher with Mrs. Reid of Illinois.
Mr. Rogers of Colorado with Mr. MacGregor.
Mr. Wright with Mr. Betts.
Mrs. Sullivan with Mrs. May.
Mr. Charles H. Wilson with Mr. Goldwater.
Mr. Ashley with Mr. Minshall.
Mr. Bevill with Mr. Brock.
Mr. Casey with Mr. Hastings.
Mr. Colmer with Mr. Frey.
Mr. Eilberg with Mr. Coughlin.
Mr. Jones of Tennessee with Mr. Stanton.
Mr. Adams with Mr. Weicker.
Mr. Long of Louisiana with Mr. Talcott.
Mr. Tunney with Mr. Powell.
Mr. Whitten with Mr. Shriver.
Mr. Mann with Mr. Teague of California.
Mr. Mikva with Mr. Conyers.
Mr. Burlison of Missouri with Mr. Vander Jagt.
Mr. Anderson of Tennessee with Mr. Whalley.
Mr. Pryor of Arkansas with Mr. Wiggins.
Mr. Purcell with Mr. Watson.
Mr. St Germain with Mr. Watkins.
Mr. Green of Pennsylvania with Mr. Robison.
Mrs. Hansen of Washington with Mr. Ruppe.
Mrs. Griffiths with Mr. Saylor.
Mr. Steed with Mr. Widnall.
Mr. Satterfield with Schadeberg.
Mr. Moss with Mr. Wold.
Mr. Mollohan with Mr. Hawkins.
Mr. Symington with Mr. Diggs.
Mr. Ichord with Mr. Wyatt.
Mr. Farbstein with Mr. Harrington.
Mr. Flower with Mr. Ottinger.
Mr. Obey with Mr. Scheuer.
Mr. McFall with Mr. Kirwan.
Mr. Baring with Mr. Bingham.
Mr. Brown of California with Mr. Lowenstein.
Mr. Leggett with Mr. Landrum.
Mr. Edwards of Louisiana with Mr. Rarick.
Mr. Roe with Mr. Dawson.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

NUMBER OF CIVILIANS KIDNAPED BY VIETCONG SHOWS SHARP RISE

(Mr. BUCHANAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BUCHANAN. Mr. Speaker, according to an article in the Baltimore Sun by John Woodruff, the number of civilians kidnaped by the Vietcong has shown a sharp rise this year. So far in 1970, 3,700 Vietnamese civilians have been abducted. This compares to 2,800 during the same period last year.

Many of these people are community leaders who are temporarily abducted and then returned to their villages. During the time of their abduction the Communists attempt to sell them on the virtues of the Communist life.

This is half of the carrot and the stick approach by the Communists. The other half—the stick approach—is the callous and ruthless policy of force and terrorism, which the Communists also use to try to persuade those leaders to follow them, including frequent assassinations of noncooperating local leaders, and occasional mass murders.

A number of those who are kidnaped are young people. They are taken to North Vietnam, where there is a double hostage program carried out in which the young people are ordered to cooperate under the threat of harm to their families back home and their families back home are ordered to cooperate under threat of harm to their youngsters. This is a disturbing new development by the Vietcong, but it shows their weakness and their desperate need for more recruits.

The article referred to is as follows:

NUMBER OF CIVILIANS KIDNAPED BY VIETCONG SHOWS SHARP RISE

(By John E. Woodruff)

SAIGON, June 13.—The Viet Cong have vastly stepped up their kidnapings of Vietnamese civilians in recent months to a rate that could make 1970 by far their record-setting year.

Analysts here regard the increase in kidnapings as a demonstration both of the Communists' growing shortage of native South Vietnamese workers and of their continuing determination and ability to go on doing whatever is necessary to replenish their slowly thinning organizational ranks.

RATE COMPARABLE TO 1968

In the first five months of this year, the Communists abducted civilians at a rate comparable with that of 1968, the record year for kidnapings. They thus reversed the downward trend that had prevailed through most of 1969.

By the last two weeks of May, abductions had reached a rate which, if maintained for the rest of this year, would push the final 1970 total far beyond the 1968 record.

As usual, the vast majority of the kidnaped civilians are being returned to their home communities within days or at most weeks of their abduction.

COURTESY AND CONCERN

These people are often respected peasants or natural leaders of the villagers' poor. They are taken into the jungle for a few days of indoctrination and sent home, apparently mainly in the hope that at a minimum they will report on the courtesy they were shown and the impressive degrees of organization and concern for the people that purposely are made evident in the jungle camps.

This short-term kidnaping apparently constitutes the "carrot" in the Communist carrot-and-stick terror formula, giving villagers a glimpse of the prospects that await them if only they will help throw off the Saigon government.

The "stick" in this formula is the continuing assassinations and bombings and the rare massacre, such as the recent one at Thanh My, all designed to show how fragile life is under Saigon's tutelage, particularly for those who co-operate with the government.

The kidnapings also serve a longer-term purpose for the Communists. A substantial minority of the civilians abducted is taken to North Vietnam or to jungle bases to be molded into young revolutionaries for return to their home communities or other parts of South Vietnam at a vital moment probably some time after most American troops have gone home.

Vietnamese familiar with this operation say most of these youngsters are talked into going "voluntarily." The government regards all these departures as kidnapings, on the grounds that the teen-agers are not old enough to make such a decision on their own and that parental consent is rarely or never sought.

These youngsters become part of the Viet Cong's highly effective "double hostage" system, whereby they are ordered to cooperate on pain of harm to their families and their families are ordered to co-operate on pain of harm to the youngsters. They thus play a key role in the Communists' program of rebuilding their political structure by putting agents in place to lie low and prepare to strike again in the future.

THE 3,700 ABDUCTIONS

By late May, more than 3,700 Vietnamese civilians had been abducted, according to national police figures. This compares with about 2,800 in the similar period last year. The total kidnaped in the record year of 1968 was 8,759.

In the last two full weeks of May, with the campaign reaching what many here consider its maximum potential speed, 492 civilians were abducted. If this rate were maintained for the rest of 1970—probably a questionable assumption at least for the moment—the 1970 total could pass 11,000.

Even merely maintaining the over-all rate of the first months would slightly exceed the 1968 record.

TRUTH IS AGAIN A CASUALTY

(Mr. COHELAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. COHELAN. Mr. Speaker, since its inception as the Nike-X I have seriously questioned our need for an ABM system. My concern has been directed to the political advisability of the ABM as well as its technical competence. For over 5 years

I have sought to clarify this issue and have tried to determine the necessity for ballistic missile defense. My reaserch has led me to oppose the various ABM systems from the beginning, and nothing has transpired to change my mind.

The debate over the ABM has increased in intensity in the past 2 years. Yet we find ourselves more confused than ever before. The administration and supporters of the present Safeguard system have muddled rather than clarify this most important question.

Rather than join the issue, spokesmen for the ABM have treated Congress to contradictory rationales for this system. At one time the ABM is anti-Soviet—at another it is anti-Chinese. At one time it is areawide protection—at another it is Minuteman defense.

The technical objections have never been dispelled. I seriously doubt whether or not the proposed Safeguard system will work. The Department of Defense claims that it will, yet it offers no substantive assurances.

Recently, Dr. John S. Foster, Director of Research and Engineering for the Department of Defense, sought to bolster the Safeguard system by alluding to testimonials of the ABM efficiency by prominent scientists. As it turns out, a number of the scientists involved have clearly disavowed any sanction of the Safeguard ABM and have, in fact, again opposed it on technical grounds before the Senate Subcommittee on Arms Controls.

Mr. Speaker, throughout these years of debate we in Congress have been treated to a series of conflicting statements and half truths about this multibillion dollar program. The more I hear from the Department of Defense the more I am certain that my continuing opposition to the ABM is justified on both technical and strategic grounds.

This morning Marquis Childs discussed the latest developments in the fight between the scientific community and the Defense Department over the Safeguard system. Mr. Childs clearly shows the paucity of the Defense Establishment's position in trying to railroad support for this weapon system. However, according to one of the scientists involved, Dr. Marvin L. Goldberger of Princeton University, no group of scientists or any scientists of repute has ever supported the ABM.

I insert the Marquis Child's column in my remarks and recommend it to the attention of my colleagues:

TRUTH IS CASUALTY IN STRUGGLE TO PUSH NIXON'S ABM PLANS

(By Marquis Childs)

The first casualty of war, truth is also a casualty of the fierce struggle over the next round in the nuclear arms race. This was dramatically demonstrated before the Senate Subcommittee on Arms Control in a series of exchanges that almost entirely escaped notice.

The chief propagandist for the Safeguard anti-ballistic missile program of the Nixon administration, John S. Foster Jr., Pentagon director for research and engineering, appeared before the committee early last month. Making his case for Phase II of Safeguard, Foster said he had called together a panel of six distinguished scientists. He asked them to put aside their political convictions and pass on the feasibility of the missile.

"Now there was considerable concern about this move," Foster testified, "but, as a matter of fact, the report was sent to the Secretary of Defense and what it said was that this equipment will do the jobs that the Department of Defense wants to do . . ."

The other day the committee called two of the scientists who served on that panel, Marvin L. Goldberger of Princeton University and Sidney D. Drell, deputy director of the Stanford Linear Accelerator Center. Both had served on the President's Advisory Committee on Science.

They both testified that there was no such statement as Foster had made in the report of the six scientists. Drell, somewhat more charitable than Goldberger, said he did not mean to impugn Foster's integrity and that since the scientists' report had been submitted six months ago he might "not have an accurate recollection" of what it said. The report is classified secret.

Both scientists were unalterably opposed to the work going forward on Phase I of Safeguard, to protect missile bases in Montana and North Dakota, and on Phase II extending the system, they testified. What is more, according to Goldberger, no group of scientists, or any scientist of repute has ever supported the Safeguard system.

The advocates of ABM presented before congressional committees by the Defense Department almost to a man avoided talking about the actual system, even though they were in closed session. Goldberger said:

"The most charitable interpretation one can put on this remarkable fact is that they could not, as men of scientific integrity, defend the system that was being proposed. They concentrated instead on the Soviet threat, the intransigence of the Chinese, national determination, the virtues of defensive weapons as extolled by Mr. Kosygin (the Sovet premier), etc., but never, never on the relation of Safeguard preformance to the actual or projected threat."

The Senate will begin debate later this month on money for Safeguard. The Armed Services Committee has reported out a military authorization bill with the Chinese ABM umbrella sheared away and other facets of the administration program pared down. Nevertheless, the vote will be a test of this newest round in the arms race promising to cost billions upon billions of dollars.

The testimony of Drs. Goldberger and Drell goes into a scientific realm that often leaves the layman far behind. Nothing could better illustrate the bewildering complexity of these so-called weapons which, once deployed, take out of human control the choices of response. Their computerized operation is infinitely faster than the human mind, the eye, the hand.

Put in simplest terms—probably over simplified—the sicentists' case against Safeguard ABM is as follows: the controlling device is a giant radar, a great brain, that responds to a series of warning impulses by sending defensive missiles into the air to knock down incoming offensive missiles. The scientists contend, one that the giant brain is altogether too vulnerable to attack and without it Safeguard is a zombie. Second, they contend that there is no proof whatsoever—quite on the contrary—that the defensive missiles will function when the heavens are exploding with incoming nuclear flack designed to thwart them.

One point in Drell's testimony is perfectly clear. The estimated cost of Phase II–A of Safeguard is $7 billion, which comes to $70 million apiece for Safeguards to protect 100 Minuteman missiles. But Minuteman III, an * * * tiple warheads, costs only $8 million. So a defense that is no defense at all, if one accepts the view of scientists who know most about this whole 21st century madness, costs 10 times as much as the offense.

This is what President Nixon called at a press conference in January a "virtually infallible" defense. Between the politicians and the scientists the credibility gap is appallingly wide.

LOUIS PEICK: TOUGH TEAMSTER—NEW RISING STAR ON AMERICA'S NATIONAL LABOR FRONT

The SPEAKER. Under a previous order of the House, the gentleman from Illinois (Mr. PUCINSKI) is recognized for 30 minutes.

(Mr. PUCINSKI asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. PUCINSKI. Mr. Speaker, the lockout of truckdrivers in Chicago is over, and the main credit for the end to this long labor dispute is mainly the work of tough, but understanding, Louis Peick, secretary-treasurer of local 705 in Chicago.

Because of his determination and strong following by his membership, more than 450,000 teamster members in America will enjoy a substantial increase in their earnings over the next 3 years.

It was Louis Peick who insisted that his members in Chicago must receive a wage increase totaling $1.65 an hour spread over the next 3 years, and it was Louis Peick who finally won acceptance for his Chicago drivers of this wage package.

Louis Peick had the good fortune of being supported in his drive by Fred Joyce, head of local 710, and Ed Fenner, president of the independent truckdrivers of Chicago. They were the supporting team and stood resolutely behind Peick in his determination. They were also fortunate to have the unyielding support of Ray Schoessling, president of the joint teamsters council in Chicago, who never wavered in standing behind his men in the long struggle.

Even more important, more than 23,000 members of Peick's local and the members of the other two locals stood firm in their support of their leadership. This firm support brought to victory their 13-week struggle.

Seldom have so many union members stood as firmly behind their leader as the members of 705 stood behind Louis Peick.

As a result, more than 450,000 teamsters throughout America will benefit in wage increases totaling $1.85 an hour over the next 39 months. The new wage package signed by the teamster international leadership with the national truckers over the weekend, represents a substantial increase over the $1.10 an hour originally agreed to before Peick swung into action.

Many have asked why Louis Peick agreed to only $1.65 an hour over the next 36 months for his own membership while the national package calls for $1.85 an hour over the next 39 months.

This difference is a measure of and a tribute to the decency and the unwaiving credibility of Louis Peick. For 13 long and arduous weeks, Louis Peick insisted that he wanted $1.65 an hour spread over 36 months for his membership. No more and no less. He was offered $1.85 for his Chicago membership for 39 months, but he said during negotiations that he would not alter his basic course.

The fact that throughout this Nation teamsters will enjoy an increase of $1.85 instead of $1.10 as originally negotiated

Public Law 91-342
91st Congress, S. 3592
July 18, 1970

An Act

To amend the Federal Meat Inspection Act, as amended, to clarify the provisions relating to custom slaughtering operations.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Meat Inspection Act (34 Stat. 1260, as amended by the Wholesome Meat Act, 81 Stat. 584), is hereby amended by deleting the proviso from paragraph (a) of section 23 of the Act, and the colon preceding said proviso, and substituting therefor the following: "; nor to the custom preparation by any person, firm, or corporation of carcasses, parts thereof, meat or meat food products, derived from the slaughter by any person of cattle, sheep, swine, or goats of his own raising, or from game animals, delivered by the owner thereof for such custom preparation, and transportation in commerce of such custom prepared articles, exclusively for use in the household of such owner, by him and members of his household and his nonpaying guests and employees: *Provided*, That in cases where such person, firm, or corporation engages in such custom operations at an establishment at which inspection under this title is maintained, the Secretary may exempt from such inspection at such establishment any animals slaughtered or any meat or meat food products otherwise prepared on such custom basis: *Provided further*, That custom operations at any establishment shall be exempt from inspection requirements as provided by this section only if the establishment complies with regulations which the Secretary is hereby authorized to promulgate to assure that any carcasses, parts thereof, meat or meat food products wherever handled on a custom basis, or any containers or packages containing such articles, are separated at all times from carcasses, parts thereof, meat or meat food products prepared for sale, and that all such articles prepared on a custom basis, or any containers or packages containing such articles, are plainly marked 'Not for Sale' immediately after being prepared and kept so identified until delivered to the owner and that the establishment conducting the custom operation is maintained and operated in a sanitary manner."

Federal Meat Inspection Act, amendment.
81 Stat. 591.
21 USC 623.
84 STAT. 438
84 STAT. 439

Approved July 18, 1970.

LEGISLATIVE HISTORY:

HOUSE REPORT No. 91-1221 (Comm. on Agriculture).
SENATE REPORT No. 91-915 (Comm. on Agriculture and Forestry).
CONGRESSIONAL RECORD, Vol. 116 (1970):
June 5, considered and passed Senate.
July 6, considered and passed House.

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